A MUNICIPAL FINANCIAL
REPORTING MANUAL
FOR
NEW BRUNSWICK MUNICIPALITIES

January 1988

CONTROL OF MUNICIPALITIES ACT

MUNICIPAL FINANCIAL REPORTING MANUAL

The Commissioner of Municipal Affairs hereby prescribes pursuant to Section 8 of the Control of Municipalities Act, Chapter C-20 of the R.S.N.B. 1973, a Municipal Financial Reporting Manual to be applicable to the Cities, Towns and Villages in the Province of New Brunswick, to be effective January 1, 1988.

Dated at Fredericton, N. B.
this 3rd day of April 1987.

Pierre C. Marquis,
Commissioner of Municipal Affairs

A C K N O W L E D G E M E N T S

We would like to thank the following individuals who contributed to the development of this Manual.

Steering Committee

Pierre C. Marquis, Chairman
Deputy Minister
Municipal Affairs and Environment

William Campbell, Mayor
Village of Sackville

Edis Flewelling, Councillor
City of Saint John

Gerald B. Hawkins, Director
Municipal Affairs and Environment

James MacDonald, C.A.
Thorne, Ernst & Whinney (Fredericton)

James F. Watt, Mayor
Village of Gondola Point

Working Committee

Jean-Charles Doucet, Chairman
Finance Officer
Municipal Affairs and Environment

R.J. Cooling, Director of Finance
Town of Riverview

H. Thomas Eno, Treasurer
City of Moncton

Robert L. Jardine, Treasurer/Manager
Town of Chatham

Kenneth Johnson, Clerk
Village of Saint-Louis-de-Kent

Darrell Wilson, Comptroller
City of Saint John

This manual was prepared by the Working Committee with the work done by Jean-Charles Doucet. Guidance was provided by the Steering Committee. The manual was reviewed by G.D. Trites, C. A. a partner with the firm of Thorne, Ernst & Whinney (Halifax) and also by James MacDonald C. A. from the Fredericton office of the same firm. Typing and clerical assistance was provided by Shelley Nason of the Local Government Administration Branch of the Department of Municipal Affairs and Environment.

Pierre C. Marquis
Deputy Minister

André Lanteigne
Assistant Deputy Minister

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INTRODUCTION

PURPOSE AND APPLICATION

This manual was developed to enhance the degree of uniformity on accounting and reporting matters among New Brunswick municipalities as well as to improve the level and quality of financial information from municipalities.

The manual also is in response to various requests from municipalities and auditors for a comprehensive document from the Department of Municipal Affairs and Environment for recommendations on financial reporting matters and audit requirements for New Brunswick municipalities.

The following accounting principles have been developed for application by New Brunswick municipalities and their entities and are intended to be used in the preparation of the annual audited financial statements.

This codification is to deal only with accounting principles that apply in a unique way to New Brunswick municipalities. The accounting and auditing recommendations of the Handbook of the Canadian Institute of Chartered Accountants should be reviewed as an authoritative source of guidance as to views on any matter in which this manual is silent.

EFFECTIVE DATE

This manual is to become effective January 1, 1988. Municipalities are required to adopt the accounting and reporting requirements of this manual.

In order to encourage a smooth transition to this manual, municipalities are requested to contact the Department of Municipal Affairs and Environment if the application of any of the requirements of this manual create serious financial consequences to the municipal unit. The Department may request that departures or non-conformities with the manual be allowed following adoption by a resolution of council and approval by the Commissioner of Municipal

INTRODUCTION

Affairs (Deputy Minister of Municipal Affairs and Environment). Departures or non-conformities with this manual are to be disclosed in a note following the accounting policies note.

The transitional period for non-compliance should not exceed five years from the effective date of January 1, 1988.

ADDITIONS AND REVISIONS

Accounting is not static. As a result, periodic reviews and amendments to this manual will be required. Additions and revisions to this manual will be issued and identified as "Municipal Financial Reporting Manual Revisions" by the Department of Municipal Affairs and Environment.

GENERAL ACCOUNTING PRINCIPLES

January 1988

GENERAL ACCOUNTING PRINCIPLE

FUND ACCOUNTING

The accounting unit shall be the Fund which is defined as "an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances and changes therein which are segregated for purposes of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations".

Note:

This principle confirms that accounting on a Fund basis is fundamental. It does not impose Funds but where the accounting unit is a Fund is follows that there must be a complete set of self-balancing accounts - normally revenue, expenditure, asset and liability accounts. It is recognized, however, that in respect of Capital Funds, source and use accounts will generally replace the revenue and expenditure accounts. Further, in the case of simple Reserve Funds the "self-balancing set of accounts" requirement might be met through elementary accounts required for statements showing clearly the composition of the opening balance(s), the flows in and out by meaningful captions and closing balance(s).

GENERAL ACCOUNTING PRINCIPLE

GOVERNMENT FUNDS

The following types of funds are recognized and should be used in accounting for transactions as indicated:

(i) (a) General Operating Fund or (b) "specified service" Operating Fund - in the case of all operating transactions as distinct from capital transactions.

Note:

It is the intent that the designation of Funds relating to the operations side of activities (as distinct from the capital side) be standardized as the "Operating Fund", for example, General Operating Fund or Water & Sewerage Operating Fund as applicable.

(ii) (a) General Capital Fund or (b) "specified service" Capital Fund - in the case of all capital transactions as distinct from operating transactions.

Note:

The intent is to have the designation of Capital Funds parallel that of corresponding Operating Funds where applicable, as General Capital Fund or Water & Sewerage Capital Fund.

(iii) Special Reserve Fund - in the case of transactions where there is authority and a desire by municipal council that certain monies accruing to the municipal unit are to be segregated into a "Special Reserve" Fund for future use.

Note:

Examples of monies which could be placed into a Special Reserve Fund are: proceeds from the sale of property or equipment, snow removal and the replacement of machinery and equipment.

(iv) Sinking Fund - in the case of the particular debt repayment scheme.

Note:

Some municipal units will have a Sinking Fund in respect of their outstanding bonds.

(v) Trust Fund - in the case of transactions which arise from a formal trust agreement pursuant to which a municipality accepts a responsibility in respect of an activity not generally acknowledged to be a normal municipal responsibility.

Note:

Where a municipal unit wishes to control certain assets and related outlays which pertain to a function or purpose acknowledged to be a normal municipal responsnbility, a trust account should be established within the related Fund.

In conclusion, a municipal unit should establish those funds required by law and sound financial administration. Since numerous funds make for inflexibility, undue complexity and unnecessary expense in both the accounting system and over-all financial administration, however, only the minimum number of funds consistent with legal and operating requirements should be established.

GENERAL ACCOUNTING PRINCIPLE

BASIS OF ACCOUNTING

Accounting for all funds shall be on the accrual basis.

Note:

The intent is that full accrual accounting be the objective.

Unmatured interest on long-term debt is to be accrued at year end for the broken period since the last due date.

The non-accrual of items of immaterial amounts would not be regarded as a departure from the stated principle. Significant items which have not been accrued should be disclosed in the notes to the financial statements.

BUDGETS AND BUDGETARY CONTROL

An annual budget should be adopted by every municipal government for all funds, and should form an integral part of the accounting system to provide a basis for budgetary control.

Budgetary comparisons should be included in the appropriate financial statements and schedules for all funds.

The budget figures which were originally adopted by the municipality and subsequently approved by the Province, are the figures to be included in the appropriate statements and schedules for all funds. All adjustments or transfers between budgeted amounts are to be omitted.

CLASSIFICATION OF ACCOUNTS

Municipal revenues shall be classified by Fund and source; expenditures shall be classified by Fund and function; and interfund transfers shall be classified separately from other revenues and expenditures, all in general conformity with the classification framework set out in Section 7000 - "Chart of Accounts for New Brunswick Municipalities" and the Statistics Canada publication "A Financial Information System for Municipalities".

Note:

At the present time object classifications are not being requested or required. However, a municipality may wish to maintain accounts at an object level for financial management purposes and such accounts should be developed in accordance with "A Financial Information System for Municipalities".

GENERAL ACCOUNTING PRINCIPLE

ACCOUNTING AND REPORTING CAPABILITIES

The municipal accounting system must make it possible to:

(a) determine and demonstrate compliance with legal provisions,

(b) maintain an adequate system of internal control.

(c) prepare financial statements that will determine fairly and fully disclose the financial operations of the municipality in conformity with accounting principles generally accepted for New Brunswick municipalities.

Where financial statements prepared in conformity with generally accepted municipal accounting principles differ significantly from those required to reflect legal compliance, the government unit should prepare such additional notes or schedules as may be necessary to report clearly its legal compliance, responsibilities and accountabilities. In extreme cases, preparation of a separate legal-basis special report may be necessary.

Note:

a) The aim of this principle is to emphasize that there is no acceptable substitute for "generally accepted municipal accounting principles". However, since the application of such principles will not always produce the requirements of particular legislation, it may be necessary to meet the latter through specially designed statements and reports.

b) Internal control is defined as a plan of organization under which employees' duties are so arranged and records and procedures so designed as to make it possible to exercise effective accounting control over assets, liabilities, revenues and expenditures. Under such a system, the work of employees is subdivided so that no single employee performs a complete cycle of operations.

Thus, for example, an employee handling cash would not post the accounts receivable records. Moreover, under such a system, the procedures to be followed are definitely laid down and require proper authorizations by designated officials for all actions to be taken.

MATERIALITY

Materiality in a particular circumstance is a matter of judgement. An item is material if the distortion would reasonably be expected to affect the decisions of a reader of the financial statements. This would include the ratepayers and inhabitants of a municipality, its council, the investment community and various regulatory and senior government departments who have an interest in the activities of the municipality.

The materiality concept must be applied to any matter that impacts on the accounting or disclosure in the financial statements. When applying this principle, consideration should be given, for example, to the dollar value of particular types of revenue and expenditure in relation to total revenues and expenditures and to the nature of the transaction, ie in the normal course of municipal activities or one that is unusual to municipal activities.

STANDARDS OF DISCLOSURE

Any information required for fair presentation of the results of operations, financial position, and changes in financial position, should be presented in the financial statements including notes to such statements.

Where the accounting treatment or statement presentation does not follow the accounting principles or financial disclosure recommendations of this manual, the practice used should be explained in the notes to the financial statements with an indication of the reason why the recommendation concerned was not followed. No rule of general application can be phrased to suit all circumstances or combination of circumstances that may arise and the determination of what constitutes fair presentation or good practise in a particular case requires the exercise of professional judgement. However, with the widespread adoption of the recommendations in this manual, users of financial statements could be expected to assume that the recommended practices had been followed unless variations in practice are disclosed. The presumption is that adequate disclosure would require an indication of the effect on the financial statements of the practice followed as compared with the recommended practice. However, where the recommended practice is not appropriate in the particular circumstances, there would be no need to disclose the effect on the financial statements.

Financial statements should be prepared in such form and use such terminology and classification of items that significant information is readily understandable. Items, not significant in themselves, should be grouped with such other items as most closely approximate their nature.

Where the basis of valuation of assets is not self-evident the basis should be explicitly stated.

ANNUAL FINANCIAL STATEMENT

Every municipality shall annually prepare as a minimum, the following financial statements for each fund or commission administered by the council.

(a) a revenue and expenditure statement

(b) an operating fund balance sheet

(c) a capital and loan fund balance sheet

(d) a statement of surplus or deficit

(e) a statement of capital financing (a statement of source and the application of capital funds)

(f) schedule of tangible assets

GENERAL ACCOUNTING PRINCIPLE

MUNICIPAL YEAR END

The municipal unit, and all the boards and commissions in which it has a 100% interest is to have a year end for financial reporting purposes of December 31.

CHANGE IN ACCOUNTING POLICY

Where there is a choice from among two or more appropriate principles or methods used in their application and a change is made, the new accounting policy should not be applied retroactively.

For each change in an accounting policy in the current period, the following information should be disclosed in a note to the financial statements;

(a) a description of the change;

(b) the effect of the change in the financial statements for the current period; and

(c) the effect on municipal equity.

Note:

In effect the Municipalities Act requires that municipalities dispose of previous years surplus/deficits by including them in the budget of subsequent years. This would preclude adjustments being made to previously reported surplus/deficit amounts as their disposition has already been determined. Consequently, any effect of a change in accounting policy could be calculated on a retroactive basis but it must be treated as an item of revenue or expenditure in the current period.

COMPARATIVE STATEMENTS

The financial statements are to be prepared on a comparative basis showing as a minimum the figures for the corresponding preceding period and where appropriate the budgets of the current year.

The figures presented on the financial statements are to be expressed in dollars. Cents are to be omitted.

SPECIFIC ACCOUNTING PRINCIPLES

January 1988

CASH

The following should be disclosed either on the balance sheet statements or by note to the financial statements:

(a) cash subject to restrictions that prevent its use for current purposes.

(b) cash appropriated for other than current purposes unless such cash offsets a current liability.

INVESTMENTS

The cost method is to be used in accounting for investments.

On fixed term securities, it is appropriate to amortize any discount or premium arising on purchase of the security over the period to maturity unless the premium or discount is immaterial, in which case it is to be written off in the current year. Gains and losses on the disposal of securities may be deferred and amortized over the term of the security purchased.

A decline in quoted market value below the carrying value of an investment with a fixed maturity amount may be considered temporary unless it is anticipated that the investment will be disposed of before it matures or that the carying value may not be realizable.

Where there has been a loss in value of an investment that is other than a temporary decline, the investment should be written down to recognize the loss. The loss should be recorded in the fund holding the investment.

A write down of an investment to reflect a loss in value should not be reversed if there is a subsequent increase in value.

Income earned on investments belongs to the fund holding the investments unless specifically excepted under legislation.

SPECIFIC ACCOUNTING PRINCIPLES

RECEIVABLES

Full accrual accounting should normally be applied in the determination of revenues outstanding including cost-shared programs. Receivables are determined as the realizable amount.

DUE TO/FROM ACCOUNTS (INTER-FUND TRANSFERS)

The definition of fund accounting in Section 2010 defines a fund as an independent fiscal and accounting entity with a self balancing set of accounts.

Each fund is to be independent of every other fund and no transfers, other than cash transfers for inter-fund services provided, shall take place unless exceptional circumstances arise.

A due to/from transfer outstanding at year end must be repaid in the next year or be included in the second next ensuing year estimates of the operating fund which benefited from the transfer.

An exception will be permitted in order to finance a capital project approved by the Municipal Capital Borrowing Board until it is completed. Rather than borrowing from the bank, a capital fund may borrow from the operating fund if the money is available. However, upon completion of the project the inter-fund account must be replaced with temporary borrowings or permanent funding.

Any inter-fund loans outstanding at year end, other than those permitted in order to finance approved capital projects noted above, are to be disclosed in a note to the financial statements.

Note:

Refer to section 5020 for proper account classification of due to/from accounts.

INVENTORIES

Where municipalities are costing their operations on a consumption basis, they should inventory their supplies and materials except for stationary, office supplies and small items at year end.

Inventories should be reported on the basis of laid down costs, for example invoice cost plus federal and provincial taxes and freight and cartage. The basis of valuation of inventories should be clearly stated in the financial statements and should be identified at cost.

If the method of determining costs has resulted in a figure which does not differ materially from recent cost, the simple term "cost" is considered to be suitable in describing the basis of valuation. Otherwise, the method of determining cost should be disclosed.

PREPAID EXPENSES

Prepaid charges such as insurance should be set up in the records at the year end.

LONG TERM RECEIVABLES

Any long term receivables which are deemed by municipal officials to be potentially uncollectible should be provided for in a valuation allowance.

SPECIFIC ACCOUNTING PRINCIPLES

FIXED ASSETS

Municipality owned fixed assets shall be recorded at cost at the time of acquisition or if cost is not practicably determinable, at estimated cost. Fixed assets acquired at nominal or nil value shall be recorded at fair market value at the time of acquisition. The basis upon which various types of assets are recorded shall be reported in notes to the financial statements.

The fixed assets are to be classified in the capital fund balance sheet by category (General government services, protective services, transportation services, environmental health services, recreation and community services, etc.).

Only items which will provide a benefit in excess of one year to the municipality are to be capitalized.

Repairs to existing capital items are not to be capitalized unless the change is so significant so as to add years to the useful life of the asset.

On the acquisition of an asset by a trade in, the balance of the trade in shall be included as part of the cost of the new asset.

When an asset is sold, the original cost is to come out of the capital asset with a corresponding decrease in the equity in fixed assets account.

The proceeds on disposal of any capital assets may be transferred to the Capital Reserve Fund for use in acquiring future capital asets.

Note:

The cost of a fixed asset includes not only its purchase price or construction cost but also related charges necessary to place the asset in its intended location and condition for use. Such related charges may include freight and transportation charges, engineering costs, site preparation expenditures, professional fees and interest cost incurred during construction.

Where municipal units are faced with establishing fixed asset accounting records and valuations after many years of operation without such records, it may be necessary to estimate the cost at the time of acquisition from such documentary evidence as may be available.

SPECIFIC ACCOUNTING PRINCIPLES

CAPITAL LEASES

Capital leases are to be recorded as an asset on the capital fund balance sheet using the present value of the minimum lease payments.

The discount rate should be the lower of the municipality's rate for long-term borrowing and the rate implicit in the lease.

A corresponding amount is to be recorded as a long-term liability.

The amount of the capital lease is to be amortized each year and a corresponding amount is to be included in the Equity in Fixed Asset Account.

Capital leasing arrangements mean a leasing arrangement determined to be a capital leasing arrangement in accordance with generally accepted accounting principles, and includes a leasing arrangement.

(a) in which ownership of the property is transferred between the parties during the term of the leasing agreement,

(b) which contains a purchase option on the part of the lessee,

(c) in which the term of the leasing arrangement covers a major portion of the economic life of the property, or

(d) in which substantially all of the fair market value of the property is covered by the discounted value of the net minimum payments under the leasing arrangement.

A municipality shall be deemed to be borrowing money for capital expenses where a capital leasing arrangment is entered into by the municipality with respect to land, building or land and buildings.

SPECIFIC ACCOUNTING PRINCIPLES

A municipality shall be deemed to be borrowing money for capital expenses where a purchase arrangement is entered into by the municipality with respect to land, buildings or land and buildings.

(a) under which the purchase price is to be paid by the municipality in amounts payable beyond the end of the fiscal year following that in which the arrangement was executed, whether by a regular schedule of payments or not, and regardless of when title to the property passes to the municipality, and

(b) under which the municipality agrees to purchase the land, building or land and buildings in a subsequent fiscal year, regardless of when the purchase price is to be paid.

A municipality shall be deemed to be borrowing for capital expenses where a capital leasing arrangement is entered into by a municipality with respect to machinery, equipment or machinery and equipment under which the rental or purchase price is to be paid by the municipality in amounts payable beyond the end of the fiscal year following that in which the arrangement was executed, whether by a regular schedule of payments or not.

A municipality shall not be deemed to be borrowing for capital expenses where the total amount to be paid under a leasing arrangement, a capital leasing arrangement or a purchase arrangement entered into by a municipality with respect to machinery, equipment or machinery and equipment does not exceed fifteen thousand dollars.

DEPRECIATION

GOVERNMENTAL FUNDS

Depreciation of general fixed assets is not to be recorded in the accounts of municipal funds.

SHORT-TERM BORROWING - OPERATING

By virtue of subsection 89(2) of the Municipalities Act borrowings to finance general fund operations is limited to four percent of the municipality's budget for that year or five thousand dollars whichever is the greater.

Borrowing to finance utility fund operations is limited to fifty percent of the budgeted revenue for that year.

Any unauthorized borrowing for current operations is to be disclosed by way of note to the financial statements.

SPECIFIC ACCOUNTING PRINCIPLES

PAYABLES AND ACCRUALS

The municipality is to provide for a full accrual of expenditures and charges for operating fund services. A liability has been incurred if the goods or services have been received on or before December 31.

Interest on long-term debt must be accrued.

Any significant amounts which are not accrued that should be must be disclosed in the notes to the financial statements.

DEFERRED REVENUE

Deferred revenue is to be reflected in the liability section of the balance sheet and is to include amounts received with respect to goods to be delivered or services to be performed such as prepayment of next years water and sewerage charges.

TEMPORARY BORROWING - CAPITAL PROJECTS

Except for the City of Saint John, temporary borrowings to finance a capital project during construction are to be authorized by the Municipal Capital Borrowing Board and are to be repaid when the project is completed and permanent funding is put in place.

By virtue of section 10 of the Municipal Capital Borrowing Act, the authorizations of the Municipal Capital Borrowing Board for a proposed loan, issue of debentures or guarantee of repayment of any loan or issue of debentures is of no effect with respect to an unexpended amount if the project for which the loan, issue of debentures or guarantee of repayment has been completed at a cost less than the amount authorized. Also the authorization of the Board has no effect if the project has not been commenced within two years from the date of the authorization.

Interest incurred during construction on capital projects may be capitalized in the year incurred.

LONG-TERM DEBT

The debt is to include permanent debt financing put in place by the municipal unit and capital lease debt. Debt assumed from other boards, commissions or units is to be disclosed by way of note to the financial statement.

Discounts on a debenture issue may be amortized over the term of the associated debt if the amount is considered material.

A note to the financial statements is to disclose the next five years debt repayment and the extent to which another municipal government or the provincial government will assume responsibility for or pay grants equivalent to the debt service cost of such debt.

NOTE:

The principal and interest repayments made during the year are to be reflected as an item of expenditure in the operating statement in the fund in which the debt occurs.

EQUITY IS FIXED ASSETS

The financial statments should disclose separately the equity position of the municipality as at the date of the balance sheet.

NOTE:

The equity in fixed asset account represents the municipality's investment in fixed assets. As long-term debt on fixed assets is reduced, equity in fixed asset is increased. Equity may also be increased by other sources of capital financing such as grants, capital expenditures from current operations or by the market value of assets donated to the municipality.

RESERVE FUNDS

General Revenue Reserve Fund

A municipality may establish a general revenue reserve fund as provided under section 90 of the Municipalities Act for the following purposes only:

1) When a capital asset is sold, a capital fund reserve may be established with the proceeds of the sale.

2) A snow removal reserve fund may be established by by-law and all transfers into the reserve fund must be determined by by-law.

3) A machinery and equipment depreciation trust fund may by by-law be established for the replacement of machinery and equipment and also all transfers into the reserve fund must be determined by by-law.

It is important to note that the by-law authorizing the transfer of funds into the reserve fund must be enacted by council on or before December 31 of the year being audited. A copy of the by-law must be submitted to the Minister with the Audit Report.

The money within any of the above noted reserve funds, must be expended for the purpose for which it was established and not otherwise except with the approval of the Commissioner of Municipal Affairs (Deputy Minister of Municipal Affairs and Environment).

Water and/or Sewerage Revenue Fund Reserves

A municipality which provides water and/or sewerage services may establish reserve funds within the limits and conditions established under Regulation 81-194 attached as Appendix A at the end of this section of the manual.

Electric Power Revenue Fund Reserves

A municipality which provides electric power services may establish reserve funds within the limits and conditions established under Regulation 81-972 attached as Appendix B at the end of this section of the manual.

Community Planning Act

Land for public purposes which was vested in a municipality and subsequently sold pursuant to subsection 43(1) and 43(2) of the Community Planning Act can be expended for acquiring or developing land for public purposes. Pending such expenditures the money must be invested in Authorized Trustee Investments and the earnings derived from such investments are to be paid into what the act refers to as "the special account". This account is to be treated as a separate reserve fund.

SPECIFIC ACCOUNTING PRINCIPL

SURPLUS(DEFICIT)

The surplus or deficit of the municipality as reported in the operating fund(s) revenue and expenditure statement is determined as being the residual balance of revenue over expenditure (or expenditure over revenue) for the current year.

The surplus or deficit in the general fund balance sheet should equal the surplus or deficit of the current and also the previous period. An amount for a pre-1967 surplus or deficit may also be included. Municipalities are prohibited under subsection 89(8) and 89(9) of the Municipalities Act to accumulate surpluses or deficits. A second previous year surplus or deficits must be included in the operations of the current year.

There are to be no adjustments to surplus with respect to prior years. Any adjustment pertaining to a prior period is to be recorded in the current years accounts as an item of revenue or expenditure or as an extraordinary or special item depending on the nature of the transaction(s).

A statement of surplus or deficit is to be provided in the notes to the financial statements.

NOTE:

In theory, there may be an instance where an item would qualify as a prior period adjustment. However, in practice it is felt that prior period adjustments would conflict with the provision of the Municipalities Act and are to be treated as extraordinary or special items as outlined in Section 3240.

CONTINGENCIES

A contingency is defined as an existing condition or situation involving uncertainty as to possible loss or gain to a municipality that will ultimately be resolved when one or more future events occur or fail to occur.

Contingencies would include, but are not limited to, pending or threatened litigation, retroactive wage settlements, and guarantees of long term indebtedness in the name of the municipality but assumed by others.

CONTINGENT LOSSES

The amount of a contingent loss should be accrued in the financial statements by a charge to revenue when both of the following conditions are met:

(a) it is likely that a future event will confirm that an asset had been impaired or a liability incurred at the date of the financial statements; and

(b) the amount of the loss can be reasonably estimated.

The existence of a contingent loss at the date of the financial statements should be disclosed in notes to the financial statements when:

(a) the occurrence of the confirming future event is likely but the amount of the loss cannot be reasonably estimated: or

(b) the occurrence of the confirming future event is likely and an accrual has been made but there exists an exposure to loss in excess of the amount accrued; or

(c) the occurrence of the confirming future event is not determinable.

CONTINGENT GAINS

Contingent gains should not be accrued in the financial statements.

When it is likely that a future event will confirm that an asset had been acquired or a liability reduced at the date of the financial statements, the existence of a contingent gain should be disclosed in notes to the financial statements.

NOTE DISCLOSURE

When the existence of a contingent loss, or a contingent gain which has not been accrued, is disclosed in a note to the financial statements, the information should include:

(a) the nature of the contingency;

(b) an estimate of the amount of the contingent gain or loss or a statement that such an estimate cannot be made; and

(c) whether any settlement resulting from the resolution of the contingency is expected to be accounted for as an estraordinary item or as a charge to current expenditure or credit to current revenue of the period in which the settlement occurs.

SPECIFIC ACCOUNTING PRINCIPLE

SUBSEQUENT EVENTS

Financial statements should be adjusted when events occurring between the date of the financial statements and the date of their completion provide additional evidence relating to conditions that existed at the date of the financial statements.

Adjustments of the financial statements for subsequent events is not appropriate if such events do not relate to conditions existing at the financial statement date. To reflect the effect of such events would not be consistent with the concept that a balance sheet represents the financial position of a municipality at the financial statement date.

Financial statements should not be adjusted for, but disclosure should be made of, those events occurring between the date of the financial statements and the date of their completion that do not relate to conditions that existed at the date of the financial statements but:

(a) cause significant changes to assets or liabilities in the subsequent period, or;
(b) will, or may, have a significant effect on the future operations of the municipality.

Disclosure of a subsequent event that does not require adjustment of the financial statements should include:

(a) a description of the nature of the events; and
(b) an estimate of the financial effect, when practicable, or a statement that such an estimate cannot be made.

SPECIFIC ACCOUNTING PRINCIPLE

REPORTING OF REVENUES AND EXPENDITURE

The financial statements should report gross revenues and gross expenditures.

SPECIFIC ACCOUNTING PRINCIPLE

GRANTS

Grants are to be recorded in the same fund as the corresponding expenditure.

A grant received for capital purposes is to be reflected in the capital fund.

A grant or subsidy received for operating purposes is to be reflected directly in the operating fund.

SPECIFIC ACCOUNTING PRINCIPLE

WATER COSTS FOR FIRE PROTECTION

Regulation 81-195 authorizes a municipality to charge a portion of its water costs to fire protection service.

The costs related to "Water Costs" are defined under the Regulation but also the chart of accounts section of this manual for the water and sewerage fund have been designed to facilitate this calculation. A second column in the expenditure accounts listing is provided. The word "Nil" has been entered in this column for each expense item that does not qualify for the transfer of "Water Costs".

The actual amount of the transfer of water costs to the general revenue fund cannot exceed the maximum outlined under Regulation 81-195. This maximum is based on a percentage of the total of the eligible "Water Costs" as determined by adding all the expenditure accounts that relate to "Water Costs". The maximum percentage relates to the population in the municipality as follows:

(i) less than 3,000 an annual maximum of 65%
(ii) between 3,001 and 5,999 inclusive an annual maximum of 55%
(iii) between 6,000 and 15,999 inclusive an annual maximum of 50%
(iv) between 16,000 and 49,999 inclusive an annual maximum of 40%
(v) between 50,000 and over inclusive an annual maximum of 35%

As an alternative, a municipality may choose to transfer an amount calculated by multiplying the number of hydrants connected to the water system by $120.

A municipality can choose to transfer an amount determined by either of the above methods, but not both.

The amount of the transfer for water costs is to be recorded as an expenditure in the general revenue fund under item 2.2.4.5.0. and a corresponding amount as revenue in the water and sewerage revenue fund under item 1.5.7.2.0.

SPECIFIC ACCOUNTING PRINCIPLE

EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items should include only gains, losses, and provisions for losses which, by their nature, are not typical of the normal activities of the municipality, are not expected to occur regularly over a period of years and are not considered as recurring factors in any evaluation of the ordinary operations of the municipality.

Special items refers to gains, losses and provisions for losses resulting from the normal operations of the municipality which are both abnormal in size and caused by rare or unusual circumstances.

Extraordinary and special items, should be included in the determination of net revenue (or deficit) for the period as an item of revenue or expenditure and not as prior period adjustment(s).

These items should be disclosed separately on the Statement of Revenue and Expenditures in such a manner that users of the statement may be able to determine the nature of the occurrences giving rise to the items and the extent to which the net revenue (or deficit) has been affected by such items.

Each item should be shown separately and its nature described. Items resulting from events and transactions of a similar nature may be shown in the aggregrate and dissimilar items should be shown separately.

Prior period adjustments are to be treated as a special or extraordinary item in the Revenue and Expenditures Statements and not as an adjustment to the surplus/deficit account.

APPENDIX "A"

Under section 192 of the Municipalities Act, the Lieutenant-Governor in Council makes the following Regulation:

1. This Regulation may be cited as the Reserve Funds (Water and Sewerage Services) Regulation-Municipalities Act.

2. In this Regulation

"Act" means the Municipalities Act:

"commission" means a commission established by a municipality

"fisical year" for every municipality means the calendar year;

"Reserve" means a Capital Fund Reserve;

"Services" means either a water service or a sanitary sewerage utility or both.

3. A municipality or a commission which provides services pursuant to section 189 of the Act may, by by-law, establish a Reserve out of the proceeds realized from those services, for the purpose of providing for

(a) the payment of a future capital expenditure related to the provision of the services when a capital debt is not created, or

(b) the funding of future capital debt or debt already incurred by way of loan or debenture issue related to providing the services.

4(1) The municipality or the commission referred to in section 3 may, each year, transfer to a Reserve established thereunder an amount of money determined by annual resolution of the municipal council or of the commission.

4(2) In no case shall the amount referred to in subsection(1) exceed seven percent of the gross revenue derived in the previous fiscal year from the proceeds of the services.

5(1) Money tranferred to a Reserve for a purpose mentioned in paragraph 3(a) may be used at any time by the municipality or the commission for the improvement of existing facilities used for operation of the services or for the purchase of additional capital assets related thereto.

5(2) Money transferred to a Reserve for a purpose mentiond in paragraph 3(b) shall not be used by the municipality or the commission for any purpose other than that for which such Reserve was established, provided however that when the debt for which such Reserve was established is paid, any balance remaining in such reserve may be

(a) transferred to another Reserve authorized under section 3,

(b) used in the current fiscal year for the purchase of another capital asset,

(c) used in the current fiscal year for the improvement of existing facilities, or

(d) used for any combination of purposes contained in paragraphs (a), (b) or (c).

6. When a capital asset used to provide the services is sold, the money from its sale may be used by the municipality or the commission in the current fiscal year for no other purpose than to purchase another capital asset to be used in providing the services or to establish or contribute to a Reserve authorized under section 3.

7. When a municipality or commission ceased to provide the services, any balance in a reserve established under section 3, after the discharge of all debts, shall be used by the municipality or the commission for the purchase of capital assets or the repayment of debt relating to other services which the mnunicipality or the commission is authorized to provide.

8. If money or evidence of money, including interest, within a Reserve established under section 3 is to be invested or reinvested, the municipality or the commission shall invest or reinvest that money in accordance with the Trustees Act.

9. The auditor of a municipality shall include in the annual audited financial statement of the municipality the following information with respect to a Reserve:

(a) a ceritfied copy of the by-law establishing the Reserve:

(b) a statement of revenue and expenditure relating to the reserve for the year of report, or part thereof, and in relation to the statement of expenditure, an analysis of expenditure according to purpose, and

(c) a statement of investments held in the Reserve including the name of the investments, and the respective principal amounts, interest rates and dates of maturity therof.

10. A reserve established by a municipality or by a commission prior to April 30, 1975 is not subject to this Regulation.

11. Regulation 75-39 under the Municipalities Act is repealed.

APPENDIX "B"

Under subsection 192(1) of the Municipalities Act, the Lieutenant-Governor in Council makes the following Regulation:

1 This Regulation may be cited as the Reserve Funds (Electric Power) Regulation- Municipalities Act.

2 In this Regulation

"Act" means the Municipalities Act.

3(1) A municipality, or a commission established by a municipality to provide electric power pursuant to subsection 189 (3) of the Act, may, by resolution, establish a Reserve Fund from the proceeds of the sales of electric power for the purpose of providing for

(a) the payment of a future capital expenditure in respect to the providing of electric power when a capital debt is not created; or

(b) the funding of future capital debt or debt already incurred by way of loan or issue of debenture in respect to the providing of electric power.

3(2) The municipality or the commission referred to in subsection (1) may each year transfer to the Reserve Fund an amount of money determined by resolution of the municipal council or the commission not exceeding 7 percent of the gross revenue derived form the sale of electric power.

4(1) Money transferred to a Reserve Fund for a purpose mentioned in paragraph 3(1)(a) may be used at any time by the municipality or commission for the purpose of improving existing facilities used for the distribution of electric power or for the purchase of additional capital assets related thereto.

4(2) Money transferred to a Reserve Fund for a purpose mentioned in papagraph 3(1)(b) shall not be used by the municipality or commission for any purpose other than that for which the Fund was established, with the exception that when the debt for which the Fund was established is paid, any balance remaining in the Fund may be

(a) transferred to another fund authorized under section 3

(b) used in the current year for the purchase of another capital asset;

(c) used in the current year for the improvement of existing facilities; or

(d) used for any combination of purposes referred to in paragraphs (a), (b) or (c).

5 When a capital asset in respect to the providing of electric power is sold, the money from the sale may be used by the municipality or commission in the current year for the purchase of another capital asset to be used in providing electric power or transferred to a Reserve Fund authorized under section 3 and for no other purpose.

6 When a municipality or a commission ceases to provide electric power, any balance in a Reserve fund established under section 3, after the discharge of all debts, shall be used by the municipality for the purchase of capital assets or the repayment of debt incurred relating to other services which the municipality or commission is authorized to provide.

7 If money, including interest, within a Reserve Fund established under section 3 is to be invested, the municipality or commission shall invest that money in accordance with the Trustees Act.

8. This Regulation does not apply to a Reserve Fund established by a munidipality or a commission prior to August 1, 1970.

9 Regulation 70-86 under the Municipalities Act is repealed.

AUDIT REQUIREMENTS

January 1988

AUDIT REQUIREMENTS

AUDITOR AND APPOINTMENT

An auditor shall not be appointed unless:

(a) he/she is a chartered accountant or a certified general accountant,
(b) he/she is capable of making a satisfactory audit.

The Minister of Municipal Affairs and Environment may cancel the appointment of an auditor who is incapable of making a satisfactory audit.

When a council fails to appoint an auditor or the appointment of an auditor is cancelled by the Minister, the Minister may appoint an auditor for the municipality and the council shall pay the fees and expenses of the auditor so appointed. Term of office refers to the fourth Monday in May following the date of the next triennial election.

A member of council cannot be appointed as an auditor during his term of office.

AUDIT REQUIREMENTS

AUDITOR'S RESPONSIBILITIES AND THE AUDITOR'S REPORT

Responsibilities

The auditor shall perform such duties as prescribed by the regulations or the council. This includes performing an audit and completing an auditor's report on all accounts and funds which require an audit in accordance with generally accepted auditing standards.

The auditor is advised to read and familiarize himself/herself with the various sections of the Acts pertinent to the audit as well as the requirements specified in the various sections of this manual before proceeding with the audit.

Report

The auditor shall complete the annual audit by the first day of March and within ten days thereafter he/she shall forward a copy of the audited financial statements together with a copy of his/her report thereon to the Minister.

AUDIT REQUIREMENTS

GENERALLY ACCEPTED AUDITING STANDARDS

Generally Accepted Auditing Standards are as follows:

General Standard

The examination should be performed and the report prepared by a person or persons having adequate technical training and proficiency in auditing, with due care and with an objective state of mind.

Examination Standards

(i) The work should be adequately planned and properly executed. If assistants are employed they should be properly supervised.

(ii) There should be an appropriately organized study and evaluation of those internal controls on which the auditor subsequently relies in determining the nature, extent and timing of auditing procedures.

(iii) Sufficient appropriate audit evidence should be obtained, by such means as inspection, observation, inquiry, confirmation, computation and analysis, to afford a reasonable basis to support the content of the report.

AUDIT REQUIREMENTS

Reporting Standards

(i) The scope of the auditor's examination should be referred to in the report.

(ii) The report should contain either an expression of opinion on the financial statement or an assertion that an opinion cannot be expressed. In the latter case, the reasons therefore should be stated.

(iii) Where an opinion is expressed, it should indicate whether the financial statements present fairly the financial position, results of operations and changes in financial position in accordance with an appropriate disclosed basis of accounting, which should be generally accepted accounting principles adopted for New Brunswick Municipalities. The report should provide adequate explanation with respect to any reservation contained in such opinion.

(iv) Where an opinion is expressed, the report should also indicate whether the application of the disclosed basis of accounting is consistent with that of the preceding period. Where the basis or its application is not consistent, the report should provide adequate explanation of the nature and effect of the inconsistency.

AUDIT REQUIREMENTS

MANAGEMENT LETTERS

A copy of all management letters and/or post-audit review letters which are provided to the municipal council as a consequence of the audit for the current year are to be forwarded to the Department of Municipal Affairs and Environment at the time that the financial statements are submitted.

This does not include correspondence to municipal administration officials concerning accounting procedural matters.

STANDARD FOR FINANCIAL STATEMENT PREPARATION

January 1988

AUDITOR'S REPORT

Financial statements of all funds which by legislation require an audit shall be accompanied by an auditor's report in a form that is acceptable to the Department of Municipal Affairs and Environment and is in accordance with generally accepted auditing standards.

The auditor's report should refer to the following:

1) The scope of the auditor's examination.

2) The report should contain either an expression of opinion on the financial statement or an assertion that an opinion cannot be expressed. In the latter case, the reasons therefore should be stated.

3) Where an opinion is expressed, it should indicate whether the financial statements present fairly the financial position, results of operations and changes in financial position in accordance with an appropriate disclosed basis of accounting, which should be generally accepted accounting principles adopted for New Brunswick municipalities. The report should provide adequate explanation with respect to any reservation contained in such opinion.

4) Where an opinion is expressed, the report should also indicate whether the application of the disclosed basis of accounting is consistent with that of the preceding period. Where the basis or its applicaton is not consistent, the report should provide adequate explanation of the nature and effect of the inconsistency.

STANDARD FOR FINANCIAL STATEMENT PRESENTATION

BALANCE SHEET

Assets are to be arranged in order of their liquidity.
Liabilities are to be arranged in order of liquidation.

CAPTION CONTENT

Code

ASSETS

310 Cash

- all cash including bank and other deposits that are available on demand and for current purposes.
- bank overdraft is to be included under short-term borrowings.
- exclude all cash which has been or set aside for future or specific purposes such as tender deposits. Include these under loans and advances.

320 Receivables

- amounts receivable for goods or services such as user charges for water and sewerage including amounts receivable from other governments or funds arising from the normal course of operations.
- do not include amounts loaned to other funds.
- the valuation allowance for uncollectible accounts is to be deducted from the amount of accounts receivable.

330 Investments

- all investments held by the municipality.

340 Loans and Advances

- include amounts loaned to other funds and all funds which have been set aside for future or specific purposes such as tender deposits.

350 Tangible or Fixed Assets

- the cost of all fixed assets owned by the municipal unit.
- the capitalized cost of a lease agreement.

370 Other Assets

- amounts set up as inventories.
- amounts set up as deferred charges

380 Intangible Assets

- include bond discounts.

390 Deficit

- represents the operating results of the fund for the last two periods (if account is in balance).
- may include a pre 1967 operating deficit or surplus.

LIABILITIES

410 Short-term Borrowings

- include short-term borrowing for current operations as authorized under section 82(2) of the Municipalities Act (maximum of 4% of the budget of the municipality or $5,000 whichever is greater).
- include bank overdraft
- capital fund(s) balance sheet would include temporary financing for capital purposes.

420 Payables

- trade accounts payable, payroll deductions, holdbacks, and accrued liabilities for goods and services received before the year end.
- include accrued liabilities for interest and principal on long-term debt.
- amounts payable to the Federal or Provincial Government and to other municipalities.
- amounts payable to other funds or local boards, commissions .

430 Long-term Debt

- long-term liabilities are the total debt incurred reported at par value.
- add the capitalized value of the debt acquired under a capital lease agreement.

440 Other Liabilities

- include deferred or restricted revenues.

470 Equity in Fixed Assets

- represents the municipality's investment in capital assets. As long-term debt on capital assets is repaid a corresponding amount is credited to "Equity in Fixed Assets" in the capital fund thereby reflecting the municipality's total investment in capital assets.

490 Surplus

- represents the operating results of the fund for the last two periods (if account is in balance) and also may possibly include a pre 1967 operating surplus or deficit.

NOTES TO THE FINANCIAL STATEMENTS

Notes to the financial statements are useful for the purpose of clarification or further explanation of the items in the financial statements. Notes have the same significance as if the information or explanations were set forth in the body of the statements themselves.

Specific notes required:

1. Accounting policies

Notes are required to disclose the accounting policies with respect to:

a) Basis of Accounting

- specify that the financial statements have been prepared using the modified accrual basis of accounting and briefly describe what that means.
- disclose that historical costs are used for fixed assets reported for municipal purposes.

b) Failure to comply with accounting policies

- specify the accounting policy(ies) which has (have) not been applied in the financial statements.
- disclose the amount of the resulting impact(s) on the balance of municipal equity.

2. Long-term Liabilities

- disclose the long-term liabilities incurred and outstanding at the end of the year and reconcile this amount with the long-term liabilities reported on the various capital fund balance sheets.
- disclose the amounts of the next five years principal payments to be made on the outstanding long-term liabilities.

- state that the Municipal Capital Borrowing Board has or has not approved the long-term financing which has occured and is outstanding at the end of the year.
- disclose amount of contingent long-term liabilities issued in the name of the municipality and assumed by others.

3. Contingent Liabilities
   - disclose those contingent liabilities not addressed under note 2
   - disclose amount of long-term liabilities issued in the name of the municipality and assumed by others.

4. Short-term Borrowing
   - disclose the amount of short-term borrowing which has occured and is outstanding at the end of the year.
   - state that either the Municipal Capital Borrowing Board has or has not approved the short-term borrowing which has occured and is outstanding at the end of the year or that the short-term borrowing was or was not within the limits established by the Municipalities Act for operating purposes.

5. Liability for Vested Sick Leave Benefits
   - disclose the liability of the municipality for unused sick leave benefits which have vested and which could be taken in cash by terminating employees. The municipality's policy for providing for this liability should be disclosed together with details of the funding plan, the amount provided for in the current year and the accumulated provision at the end of the year.

6. Reserve Funds
   - disclose the number(s) and date(s) of the by-law(s) authorizing transfers into the reserve fund(s).

7. The following other notes should be provided as required:

(a) Contractual Obligations

- disclose contracted obligations and commitments that are abnormally large in relation to the usual operations of the municipality.

(b) Extraordinary Items

- disclose the effect and nature of the occurrences of individual items where separate disclosure on the Revenue and Expenditure Statement is not practical.
- items resulting from events and transactions of a similar nature may be shown in the aggregate.
- to be included in the determination of the surplus (deficit) for the year.

(c) Changes in Accounting Policy

- disclose the nature of the change, its effect on the current year's financial statements including the effect on the municipal equity.

(d) Subsequent Events

- disclose nature of the events and the financial effect of such event on the financial statements.
- where appropriate, disclose that an estimate of the effect cannot be made.

STANDARD FOR FINANCIAL STATEMENT PRESENTATION

REVENUE AND EXPENDITURE STATEMENT

The revenue and expenditure statement is to report the revenues and expenditures of the period together with the budget adopted by the municipality and approved by the Province. The operating results of the previous period is also provided for comparative purposes.

Revenues are to be classified by source and expenditures by function in conformity with the coding structure set out in the Manual.

The coding structure outlined in this manual represents the minimum number of items to be disclosed. It follows that those items which do not apply to the municipality need not be disclosed.

All revenues and expenditures are to be reported on a gross basis. Revenues are not to be netted against expenditures.

Grants received for capital purposes are not to be reported as operating revenue. These grants are to be reported as a source of capital financing.

STANDARD FOR FINANCIAL STATEMENT PRESENTATION

STATEMENT OF SOURCE AND APPLICATION OF CAPITAL FUNDS

The statement of source and application of capital funds is to report the amount and sources of funds made available during the period for capital purposes, and the extent to which these funds were used to acquire capital assets.

CAPTION CONTENT

FINANCES ACQUIRED (SOURCE)

Unapplied from previous period

- include cash, receivables and investment which where available from the previous period.

Term Borrowing

- include proceeds from the issue of debentures from the New Brunswick Municipal Finance Corporation or any other lending institution.
- include debenture discounts and commissions which are subsequently reported under other expenditure in the finances applied section.

Transfers from:

FEDERAL GOVERNMENT

- amounts received from the Government of Canada for capital purposes including the capitalized portion of federally sponsored employment programs.

STANDARD FOR FINANCIAL STATEMENT PRESENTATION

PROVINCIAL GOVERNMENT

- Amounts received from various Departments of the Province of New Brunswick including stimulation grants.

RESERVE FUND

- amount(s) transferred from reserve fund(s) for the financing of capital assets.

OPERATING FUND

- capital expenditures from the operating fund.

Other Finances Acquired

- includes proceeds from the sale of fixed assets, insurance claims, gifts and donations made to the municipality by various organization.

Temporary Financing at the end of Period

- amounts received for interim financing from banks, credit unions etc.

- includes inter fund loans made during the period for capital financing.
- includes payable on goods and services received.

FINANCES APPLIED

Temporarily financed at end of previous period

- amounts applied against the municipality's temporary sources of capital finances at the end of the previous period.

- temporary sources of finances include loans from banks and credit unions, other funds and accounts payable.

Capital expenditure

- all amounts expended by the municipality for the acquisition of capital assets.

Other expenditures

- includes interest on temporary or interim financing.
- other debt charges such as debenture discount, bank service charges etc.

- transfers to own reserves or other funds.

Unapplied at end of period

- finances acquired but unexpended at the end of the period usually represented by cash, receivables and investments.

SAMPLE FINANCIAL STATEMENT

SAMPLE FINANCIAL STATEMENT

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AUDITORS' REPORT

To (His/Her) Worship The Mayor
and Members of the Council

We have examined the balance sheets of the general, water and sewerage and reserve funds of the Municipality of Modelville as at December 31, 198X and the related statements of revenue, expenditure, surplus and source and application of capital financing for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Municipality as at December 31, 198X and the results of its operations and the source and application of its capital financing for the year then ended in accordance with generally accepted accounting principles adopted for New Brunswick municipalities applied on a basis consistent with that of the preceding year.

Place, New Brunswick
February 5, 198Y

_____
Municipal Auditor

Municipality of Modelville
General Capital Fund
Balance Sheet
December 31, 198X

	198X	198W
ASSETS		
Cash	$ 24,760	$ 12,656
Receivable - Province of New Brunswick	-	8,762
Debt receivable-Modelville Rink Association Inc. (Note 2)	86,935	97,802
Due from General Operating Fund	105,131	177,280
Investment, at cost	2,470	2,470
Capital assets (Page 3)	4,990,344	4,613,519
	$5,209,640	$4,912,489
LIABILITIES		
Bank Loans	$ -	$ 618,859
Debenture payable (Note 3)	785,000	-
Payables and accruals		
Trade	624	149,340
Holdbacks	26,249	6,571
Tender deposits	24,700	12,596
Investment in capital assets (Page 4)	4,373,067	4,125,123
	$5,209,640	$4,912,489

APPROVED BY

_____Mayor

_____Clerk or Treasurer

MUNICIPALITY OF MODELVILLE
General Capital Fund
STATEMENT OF CAPITAL ASSETS
December 31, 198X

	Land	Buildings	Engineering Structures	Machinery and Equipment	Total
General Government					
Old Town Hall Site	$ 4,446	$ -	$ -	$ -	$ 4,446
Modelville Town Hall	5,000	229,000	6,210	15,589	255,799
Protective Services					
Fire Department	8,972	112,578	9,466	136,499	267,515
Police Department	1,972	70,603	4,997	64,179	41,751
Transportation Service					
Workshop and yards	10,891	63,446	-	507,861	582,198
Wharves	-	-	4,027	-	4,027
Street and roads	5,815	-	2,175,663	-	2,181,478
Parking meters	-	-	-	22,857	22,857
Sand shed	-	9,448	-	-	9,448
Storm sewers	-	-	689,756	-	689,756
Street and traffic lights	-	-	22,013	-	22,013
Environmental					
Garbage and waste removal	14,421	15,224	27,935	1,725	59,305
Recreation and Cultural					
Amusement parks and playgrounds	138,511	-	56,459	2,644	197,614
Gymnasium (old)	1,000	-	-	-	1,000
Gymnasium (new)	-	195,196	-	10,203	205,399
Swimming Pool	-	41,097	66,739	4,061	111,897
Truck	-	-	-	8,125	8,125
Modelville Arena	-	57,177	-	-	57,177
Community Centre	10,000	48,907	-	-	58,907
Library	5,000	104,632	-	-	109,632
	$ 308,200	$ 828,769	$3,063,265	$ 790,110	$4,990,344

Municipality of Modelville
General Capital Fund
STATEMENT OF INVESTMENT IN CAPITAL ASSETS
Year ended December 31, 198X

	198X	198W
Balance, beginning of year	$4,125,123	$3,823,794
Add		
Contribution from general operating fund		
Capital expenditures	94,679	62,354
Debt repayment	61,151	61,130
Contribution from reserve fund		
Machinery and equipment	-	96,355
Contribution from Province of New Brunswick for storm sewers and roads	115,805	122,461
Sale of motor vehicles	5,965	10,460
	277,600	352,760
	4,402,723	4,176,554
Deduct		
Cost of capital assets disposed of	18,789	40,564
Forgiveness of loan to Modelville Rink Association Inc.	10,867	10,867
Balance, end of year	$4,373,067	$4,125,123

Municipality of Modelville
General Capital Fund
Statement of Source and Application of Capital Financing
Year ended December 31, 198X

	198X	198W
Source		
Unapplied from previous period		
Cash on hand and deposit	$ 12,656	$ 31,393
Receivables	283,844	177,738
	296,500	209,131
Term Borrowing		
Debentures	785,000	-
Bank	61,151	72,206
	846,151	72,206
Transfers from		
Province of New Brunswick - D.O.T.	65,805	72,461
- Stimulation Grant	50,000	50,000
Reserves - machinery and equipment	-	96,355
General operating fund	94,679	62,354
	210,184	281,170
Other finances acquired		
Sales of motor vehicles	5,965	10,460
Temporary financing at end of period		
Payables	51,573	168,507
	1,410,373	741,474
Application		
Temporarily financed at end of previous period		
Bank	618,859	-
Payables	168,507	55,464
	787,366	55,464
Capital expenditures	395,614	382,275
Other expenditures		
Transfer to general operating fund	-	173,648
Other	10,867	10,867
Unapplied at end of period		
Cash	24,760	12,656
Receivables	192,066	106,564
	$1,410,673	$ 741,17

Municipality of Modelville
General Operating Fund
BALANCE SHEET
December 31,198X

	198X	198W
ASSETS		
Cash deposits	$ 22,719	$ 68,445
Accounts receivable	37,137	12,382
Due from other funds		
Water and sewerage operating fund	97,825	137,187
Reserve fund	3,527	3,527
Inventory of supplies, at cost	16,630	16,474
Other assets	75	75
	$177,913	$238,090
LIABILITIES		
Short-term borrowing (Note 7)	20,000	-
Payables and accurals	$114,193	$ 45,192
Due to other funds		
General Capital Fund	105,131	177,280
	219,324	222,472
DEFICIT		
Deficit		
Balance (deficit), beginning of year	15,618	(41,095)
Add: Surplus (deficit) for the year	(58,080)	16,671
Deduct: Surplus (deficit) for the second previous year	(1,051)	40,042
Balance (deficit), end of year	(41,411)	15,618
	$177,913	$238,090

APPROVED BY

_____Mayor

----------Clerk or Treasur

Municipality of Modelville
General Operating Fund
Statement of Revenue and Expenditure
Year ended December 31, 198X

	Page	198X Budget	198X Actual	198W Actual
Revenue				
Warrant of Assessment		1,316,783	1,316,783	1,091,866
Sale of Services		16,400	22,253	13,847
Services to other gov.				
Other municipalities	8	59,766	59,768	57,095
Province of New Brunswick	8	126,097	126,338	119,922
Other revenue from own service	8	34,363	39,972	31,422
Unconditional grant		1,160,419	1,160,419	1,225,690
Conditional transfers				
Bicentennial Grant		-	16,058	-
		2,713,828	2,741,591	2,539,842
Expenditures				
General government services	9	219,669	238,408	208,769
Protective services	10	1,116,916	1,121,863	1,042,552
Transportation services	11	607,573	647,339	546,321
Environmental health services	12	92,986	98,346	73,335
Environmental development services	12	121,995	112,635	102,780
Recreation and cultural services	12	334,881	346,620	314,153
Fiscal services	12	218,757	233,409	195,216
Deficit-second previous year		1,051	1,051	40,042
		2,713,828	2,799,671	2,523,171
Surplus (deficit) for the year		NIL	(58,000)	16,671

Municipality of Nodelville
General Operating Fund
Supplementary Schedule of Revenue Accounts
Year ended December 31, 198X

	198X Budget	198X Actual	198W Actual
Services to other Municipalities			
Ambulance	4,490	4,490	4,490
Garbage	55,276	55,276	52,647
	59,766	59,768	57,095
Province of New Brunswick			
Correction (Remanded prisoners)	5,000	1,500	2,503
Fire	30,400	30,400	30,400
Ambulance	29,496	33,237	29,226
Roads and Streets	36,439	36,439	34,210
Garbage	24,762	24,762	23,583
	126,097	126,338	119,922
Sale of Services			
Garbage	6,000	6,000	4,500
Community Centre	1,100	1,336	1,210
Non-Resident Fees	9,300	14,917	8,137
	16,400	22,253	18,847
Other Revenue from own Sources			
Licenses and Permits			
Animal	500	430	655
Construction	300	274	256
	800	704	911
Fines			
Municipal By-Law	3,000	6,510	2,570
Other	200	30	5
	3,200	6,540	2,575
Rentals			
Buildings	2,000	1,307	1,925
Equipment	27,063	27,063	25,774
	29,063	28,370	27,699
Return on Investments			
Interest	1,000	1,149	237
Miscellaneous	300	3,209	
	34,363	39,972	31,422

MUNICIPALITY OF MODELVILLE
GENERAL OPERATING FUND
SUPPLEMENTARY SCHEDULE OF EXPENDITURE ACCOUNTS
YEAR ENDED DECEMBER 31, 198X

	198X Budget	198X Actual	198W Actual
General Government Services			
Legislative			
Mayor	6,590	6,330	4,747
Councillors	15,400	14,501	14,407
Other	12,500	14,311	12,300
	34,490	35,142	31,454
Administrative			
Treasurer	24,713	24,401	25,187
Clerk	30,115	30,383	28,673
Manager	45,382	44,134	42,130
Office Building	53,584	62,359	54,364
Solicitor	7,040	6,734	7,050
Other	7,000	16,543	7,380
	167,834	184,554	164,784
Financial Management			
External Audit	8,350	8,037	7,370
Other General Government Services			
Conventions	4,000	3,119	4,861
Public Liability Insurance	4,815	7,556	-
Grants to Organizations	-	-	300
	219,669	238,408	208,769

MUNICIPALITY OF MODELVILLE
GENERAL OPERATING FUND
SUPPLEMENTARY SCHEDULE OF EXPENDITURE ACCOUNTS
YEAR ENDED DECEMBER 31, 198X

	198X Budget	198X Actual	198W Actual
Protective Services			
Police			
Administration	$ 101,749	$ 103,366	$ 97,558
Crime Control	425,342	436,777	392,767
Traffic activities	10,916	11,835	10,235
Station and building	10,274	9,360	8,721
Automotive equipment	33,210	27,437	29,180
Detention of prisoners	1,100	438	433
Training	5,000	1,681	-
	587,591	590,891	538,794
Fire			
Administration	4,500	2,233	3,617
Firefighting force	233,313	232,905	219,620
Fire alarm system	12,466	11,270	12,096
Water costs	147,000	147,000	147,000
Station and building	20,578	18,678	17,300
Fighting and equipment	21,705	16,791	12,703
Training	6,000	5,329	-
	435,562	434,206	405,336
Emergency measures			
First aid and ambulance	88,563	91,563	93,543
Other			
Animal and pest control	5,200	5,200	4,879
	$1,116,916	$1,121,863	$1,042,552

MUNICIPALITY OF MODELVILLE
GENERAL REVENUE FUND
SUPPLEMENTARY SCHEDULE OF EXPENDITURE ACCOUNTS
Year ended December 31, 198X

	198X Budget	198X Actual	198W Actual
Transportation services			
Common services			
Administration	$ 47,632	$ 46,939	$ 47,368
General equipment	65,000	82,219	68,215
Workshops and other buildings	61,208	55,802	56,928
	173,840	184,960	172,511
Road transport			
Roads and streets			
Roadway surfaces	125,326	138,305	117,239
Storm sewers	16,500	17,557	4,187
Street cleaning	33,984	30,139	33,654
Snow and ice removal	175,978	195,337	142,682
	351,788	7381,338	0297,762
Street lighting	60,240	61,715	56,694
Traffic services			
Street signs	1,500	1,555	1,695
Traffic lane marking	9,240	9,351	8,900
Traffic signals	5,465	6,226	3,659
	16,205	17,132	14,254
Parking			
Off-street parking	5,500	2,194	5,100
	$607,573	$647,339	$546,321

MUNICIPALITY OF MODELVILLE
GENERAL OPERATING FUND
SUPPLEMENTARY SCHEDULE OF EXPENDITURE ACCOUNTS
Year ended December 31, 198X

	198X Budget	198X Actual	198W Actual
Environmental Health Services			
Dumps	$ 92,986	$ 98,346	$ 73,335
Environmental Development Services			
Community planning	$ 16,089	$ 16,089	$ 15,376
Community development	-	-	13,589
Industrial park	10,919	11,055	10,912
Tourism promotion	69,987	66,039	62,903
Beautification and land rehabilitation	25,000	19,452	-
	$121,995	$112,635	$102,780
Recreation and Cultural Services			
Administration	$ 54,041	$ 68,491	$ 51,157
Swimming pools	27,996	26,664	22,024
Rinks and arenas	-	-	617
Parks and playgrounds	30,700	27,373	30,986
Gymnasium	86,019	88,372	85,355
Grants - recreation organizations	133,125	133,125	120,652
Library	3,000	2,595	1,500
Bicentennial projects	-	-	1,862
	$334,881	$346,620	$314,153
Fiscal Services			
Debt Charges			
Interest	$132,606	$ 77,579	$ 71,732
Prinicipal	86,151	61,151	61,130
	218,757	138,730	132,802
Transfers			
General Capital Fund	-	94,679	62,354
	$218,757	$233,409	$195,216

MUNICIPALITY OF MODELVILLE
WATER AND SEWERAGE CAPITAL FUND
BALANCE SHEET
December 31, 198X

	198X	198W
ASSETS		
Capital assets (Page 14)	$2,584,647	$2,570,894
LIABILITIES		
Bank loan	$ 84,256	$ 101,107
Due to Water and Sewerage Operating Fund	21,952	21,952
Long-term debt (Note 4)	311,546	360,906
Investment in capital assets (Page 15)	2,166,893	2,086,929
	$2,584,647	$2,570,894

APPROVED BY

_____Mayor

_____Clerk or Treasurer

MUNICIPALITY OF MODELVILLE
WATER AND SEWERAGE CAPITAL FUND
STATEMENT OF CAPITAL ASSETS
December 31, 198X

	Land	Buildings	Engineering Structures	Machinery and Equipment	Total
Water Supply	$58,454	$106,921	$1,726,059	$ 47,865	$1,939,299
Sewerage Collection and Disposal	-	78,785	496,710	56,100	631,595
	$58,454	$185,706	$2,222,769	$103,965	$2,570,894

MUNICIPALITY OF MODELVILLE
WATER AND SEWERAGE CAPITAL FUND
STATEMENT OF INVESTMENT IN CAPITAL ASSETS
Year ended December 31, 198X

	198X	198W
Balance, beginning of year	$2,086,929	$2,023,807
Add:		
Contribution from Water and Sewerage Operating Fund-		
Capital Expenditure	13,753	-
Debt repayments		
Debentures	26,000	24,000
Certificates of indebtedness	23,360	22,271
Bank Loan	16,851	16,851
Balance, end of year	$2,166,893	$2,086,929

MUNICIPALITY OF MODELVILLE
WATER AND SEWERAGE CAPITAL FUND
STATEMENT OF SOURCE AND APPLICATION OF CAPITAL ASSETS
Year ended December 31, 198X

	198X	198W
Source		
Water and Sewerage Operating Fund		
Capital expenditures from Operating Fund	$13,753	$ -
Debt Payment	66,211	63,129
	$79,964	$63,129
Applicaton		
Additions to sanitary sewers	$13,753	$ -
Debt payment	66,211	63,129
	$79,964	$63,129

MUNICIPALITY OF MODELVILLE
WATER AND SEWERAGE OPERATING FUND
BALANCE SHEET
December 31, 198X

	198X	198W
ASSETS		
Bank	$ 2,716	$ -
Receivables		
Water and Sewer	50,065	70,330
Due from Water and Sewerage Capital Fund	21,952	21,952
Inventory of supplies, at cost	26,205	19,805
	$ 100,938	$ 112,087
LIABILITIES		
Bank overdraft	$ -	$ 4
Payables and accruals		
Trade	9,696	15,021
Annual grant received in advance	6,879	6,879
Due to General Operating Fund	97,826	137,187
	114,401	159,091
DEFICIT		
Deficit, beginning of year	(47,004)	(38,806)
Deduct:		
Deficit of second previous year	20,447	18,359
	(26,557)	20,447
Add:		
Surplus (deficit) for the year	13,094	(26,557)
Defict, end of year	(13,463)	(47,004)
	$100,938	$112,087

APPROVED BY

_____Mayor

_____Clerk or Treasurer

MUNICIPALITY OF MODELVILLE
WATER AND SEWERAGE OPERATING FUND
STATEMENT OF REVENUE AND EXPENDITURE
Year ended December 31, 198X

	Page	198X Budget	198X Actual	198W Actual
Revenue				
Sales of services				
Water	19	275,854	278,854	256,055
Sewerage	19	26,426	30,995	25,339
Connecton and Services		7,500	6,049	8,052
		309,780	315,898	289,446
Other revenue from own sourc				
Water supply for fire protection		147,000	147,000	140,000
Condition transfer - Province of New Brunswick		42,047	42,047	42,854
		498,827	504,945	472,300
Expenditure				
Water supply	19	292,243	267,722	277,466
Sewerage collection and disposal	19	65,796	62,840	85,445
Fiscal Services				
Water system debt charges	20	69,791	71,793	42,703
Sewerage system debt charges	20	39,988	39,988	73,908
Capital Fund		-	13,753	-
Deficit of second previous year		20,447	20,447	18,359
Provisions for loss on accounts receivable		10,562	15,308	976
		498,827	491,851	498,857
Surplus (deficit) for the year		NIL	13,094	(26,557)

WATER AND SEWERAGE FUND
SUPPLEMENTARY SCHEDULE OF REVENUE AND EXPENDITURE ACCOUNTS
Year ended December 31, 198X

	198X Budget	198X Actual	198W Actual
Revenue			
Sale of Water			
Residential	$192,819	$191,713	$179,578
Commercial	16,906	18,325	14,578
Industrial	11,794	12,884	10,703
Institutional	13,411	12,410	10,545
Own Municipality	2,005	2,131	2,630
Other	38,919	41,391	37,841
	$275,854	$278,854	$256,055
Sewerage Rates			
Residential	$ 17,425	$ 16,453	$ 13,186
Commercial	9,001	14,543	12,153
	$ 26,426	$ 30,995	$ 25,339
Expenditure			
Water Supply			
Administration	$ 58,676	$ 56,280	$ 54,494
Transmission and distribution	95,809	97,125	116,636
Power and pumping	112,806	87,786	84,188
Billing and collection	24,952	26,531	22,148
	$292,243	$267,722	$277,466
Sewerage collection and disposal			
Sewerage collection system	$ 10,986	$ 7,330	$ 18,145
Sewerage lift stations	54,810	55,510	67,300
	$ 65,796	$ 62,840	$ 85,445

WATER AND SEWERAGE FUND
SUPPLEMENTARY SCHEDULE OF REVENUE AND EXPENDITURE ACCOUNTS
Year Ended December 31, 198X

	198X Budget	198X Actual	198W Actual
Expenditure			
Fiscal Services			
Water system debt charges			
Interest on temporary borrowing	$ 9,136	$11,138	$ -
Interest on long-term debt	18,866	18,866	18,352
Principal installments	41,789	41,789	24,351
	$69,791	$71,793	$42,703
Fiscal Services			
Sewerage system debt charges			
Interest on long-term debt	$15,565	$15,565	$35,138
Principal installments	24,423	24,423	38,770
	$39,988	$39,988	$73,908

MUNICIPALITY OF MODELVILLE
RESERVE FUND
BALANCE SHEET
December 31, 198X

	198X	198W
ASSETS		
Snow Removal		
Cash	$40,398	$37,515
Accrued interest receivable	539	423
	$40,937	$37,938
Machinery and equipment depreciation		
Cash	12,705	$12,227
Due from General Revenue Fund	(3,527)	(3,527)
Accrued interest receivable	148	78
	9,326	8,778
General Capital		
Cash	2,387	2,296
Accrued interest receivable	27	12
	$52,677	$49,024
EQUITY - RESERVE FUNDS		
Reserve Funds		
Snow Removal	$40,937	$37,938
Machinery and equipment depreciation	9,326	8,778
General Capital	2,414	2,308
	$52,677	$49,024

APPROVED BY

_____Mayor

_____Clerk or Treasurer

MUNICIPALITY OF MODELVILLE
RESERVE FUNDS
STATEMENT OF RESERVE FUNDS BALANCES
Year ended December 31, 198X

	198X				198W
	Machine & Equipment	General Capital	Snow Removal	Total	Total
Balance, beginning of year	$8,778	$2,308	$37,938	$49,024	$139,000
Add:					
Interest	548	106	2,999	3,653	6,279
Sale of equipment	-	-	-	-	6,450
	548	106	2,999	52,677	12,729
	9,326	2,414	40,937	52,677	151,829
Less:					
Purchase of equipment	-	-	-	-	102,805
Balance, end of year	9,326	2,414	40,937	52,677	49,024

MUNICIPALITY OF MODELVILLE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 198X

1. Accounting Policies

These financial statements have been prepared to conform in all material respects to the accounting principles prescribed for New Brunswick municipalities by the Department of Municipal Affairs and Environment.

(a) Revenue recognition

Major sources of revenue are recorded on an accrual basis.

(b) Expenditure recognition

Expenditures are recorded on an accrual basis. Outstanding commitments for goods and services relating to the current year are accrued at the balance sheet date.

Principle repayments of long term debt are recorded as an expense when repaid. Unmatured interest on long term debt is accrued at year end and recorded as an expenditure.

(c) Property and Equipment

Capital assets and projects in progress are recorded at cost. The Municipality does not record depreciation on its property and equipment. Funds received through capital assistance programs, cost sharing arrangements or loan forgiveness are treated as additions to equity in capital assets.

MUNICIPALITY OF MODELVILLE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 198X

2. DEBT RECEIVABLE

As at December 31, 198X the municipality had a debt receivable from the Modelville Rink Association Inc., an association not controlled by the municipality. It is the intention of the Municipality to forgive this debt over a number of years. The debt is secured by assets of the association.

3. LONG-TERM DEBT	198X	198W
General Capital Fund		
(a) Debenture, New Brunswick Municipal Finance Corporation		
12% - 12 3/4% series, due 198X+20	$785,000	$ -

Principal payments required during the next five years are as follows:
198X+1 - $49,000
198X+2 - 56,000
198X+3 - 62,000
198X+4 - 70,000
198X+5 - 78,000

Approval of the Municipal Capital Borrowing Board has been obtained for the long-term debt reported on General Capital Fund Balance Sheet.

4. LONG-TERM DEBT		
Water and Sewerage Capital Fund		
(a) Debenture		
10 1/4% series, due 198X+14	$228,000	$254,000

Principal Payments required during the next five years are as follows:
198X+1 - $29,000
198X+2 - 33,000
198X+3 - 36,000
198X+4 - 40,000
198X+5 - 43,000

(b) Certificates of Indebtedness - Province of New Brunswick		
10 3/4%, due 198X+1	7,500	15,000
7 1/4%, due 198X+3	76,046	91,906

Principal Payments required to maturity on these Certificates of indebtedness are as follows:

198X+1 - $24,532
198X+2 - 18,288
198X+3 - 19,638
198X+4 - 21,088

$311,546	$360,906

Approval of the Municipal Capital Borrowing Board has been obtained for the long-term debt reported on the Water and Sewerage Capital Fund Balance Sheet.

5. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the municipality's employment.

The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee upon terminating, amounted to $47,500 (198W $45,000) at the end of the year. No amounts have been provided for this liability in the current year or in past years.

6. CONTINGENT LIABILITIES

The municipality has received a claim from a contractor for $86,756 arising from non-payment by the municipality of work done on municipal streets. The municipality has denied liability and has made a third party claim for the amount plus other costs against the contractor. No loss is anticipated, the final outcome of the matter is not yet determined.

7. SHORT-TERM BORROWING

An amount of $105,131 was borrowed from the General Capital Fund to finance a temporary cash flow deficiency. The amount of this borrowing is within the limits specified in the Municipalities Act.

CHART OF ACCOUNTS FOR
NEW BRUNSWICK MUNICIPALITIES

January 1988

CHART OF ACCOUNTS

EXPLANATORY NOTES

The chart of accounts, was developed in conformity with the federal publication, "A Financial Information System for Municipalities." This federal publication was produced through a series of meetings of representatives from Statistics Canada and from the Departments of Municipal Affairs of all provincial governments in Canada.

The chart of accounts, as set out on the following pages, is the minimum required for accounting and reporting by all municipal units in New Brunswick. In many cases it will not provide the detail required for internal purposes, expecially in the larger municipal units. In such cases, reference should be made to the federal publication "A Financial Information System for Municipalities" which explains the framework of the classification system in detail as well as how to expand the system to obtain progressively finer levels of detail.

The following sections, which have been extracted from the federal publication, briefly describe the overall framework of the classification system and the coding system. Included in these extracts you will note references to the object classification system which at this time is not mandatory for accounting and reporting in New Brunswick.

> "The Classification Systems described in this volume have been designed to present the financial transactions of Canadian municipal governments in forms which meet internal and external requirements for financial information.
>
> These requirements are described in some detail in Volume 1 which also delineates the concepts on which the Classification Systems are based. To recapitulate, the Classification Systems identify:

(1) the types of revenue raised by, or transferred to, a municipal government;

(2) the expenditures made by the government on services provided and on economic objects;

(3) the kinds of assets, liabilities, and equity possessed by the government.

The Classification Systems in this volume are designed primarily for use by municipalities. However, since the sum of all services provided by municipalities encompasses almost all the responsibilities assigned to all the other local governments, with one major exception - Education - the Classification Systems, or, more precisely, their relevant parts, can be used by most local governments except school authorities.

As is implied in the preceding paragraph, each municipality or other local government, in adopting the Classification Systems, will select only those parts of the systems which apply to its particular operations. Within each of the systems it will select the level of classification which is appropriate to identify the detailed information it requires for its own purposes or which is required of it by external authorities. Similarly, where fund accounting is used, only those classifications pertinent to the transactions of an individual fund will be employed for that fund.

In some cases, e.g. large municipalities, the detail provided by the Classification Systems may be inadequate for internal purposes. Further levels of progressively finer detail to meet these special situations can be constructed, provided that the basic principle of the construction of the systems is retained (see Volume 1, paragraph 244), that is, that each subordinate level consists of groups of classifications with each group providing finer detail for individual classifications at the next highest level.

THE FRAMEWORK OF THE SYSTEMS

This volume describes five systems for classifying the financial transactions of a municipal government and an auxiliary system for automatically relating expenditures on own-account construction, maintenance and repair to the particular fixed assets involved. Together these five systems provide the following picture, in financial terms, of the activities of a municipal government.

Revenue

raised from own sources
or transfers from outside sources,
used to dischare the FUNCTIONS of the government through the OBJECTS on which expenditures are made,
which continuing process is supported by, and reflected in changes in,
the ASSETS, which the government owns, against which must be set its LIABILITIES, or debts, with the net of these two being the EQUITY.

CHART OF ACCOUNTS

In finer detail the picture is as follows:

REVENUE

(a) From own sources;

- Taxes
- Grants in lieu of taxes
- Services provided to other governments
- Sales of services
- Other revenue from own sources

(b) From other sources:

- Unconditional transfers from other governments
- Conditional transfers from federal, provincial, or territorial governments or agencies
- Conditional transfers from other local governments.

(c) Related transactions:

- Other transfers; collections for other governments

CHART OF ACCOUNTS

FUNCTIONS OF EXPENDITURE

(a) The main functions:

- Protective services
- Transportation services
- Environmental health services
- Public health and welfare services
- Environmental development services
- Recreation and community services; education
- Other services

(b) The support functions:

- General government services
- Fiscal services

OBJECTS OF EXPENDITURE

(a) Purchases of services and goods:

- Personnel
- General services
- Government services for resale or general supply
- Government services for own account
- Goods
- Fixed assets

(b) Transfers:

- Transfer payments
- Financial charges

(c) Residual:

- Other transactions

CHART OF ACCOUNTS

ASSETS

Cash
Receivables
Investments
Loans and advances
Tangible assets
Debt charges receivable
Other assets
Deficits

LIABILITIES

Short-term borrowings
Payables
Long-term debt
Other liabilities
Asset valuation allowances

EQUITY

Reserves
Equity in fixed assets
Surplus and other equity

CODING

The Revenue, Asset and Liability and Equity Classification Systems employ a five position coding group and the Expenditure Classification System one of eleven positions.In each of these groups the first position is used for system identification only; i.e. all revenue classifications are identified by a 1, expenditures by a 2, assets by a 3, and liabilities and equity by a 4. In addition, the expenditures group is made up of three parts-

Positions 2 - 5 cover the Functional Classification System,
6 - 9 cover the Object Classification System,
10 - 11 cover the Own Account Construction System.

In effect, therefore, each system uses a four position group except the Own Account Classification System.

In the code assigned to each classification, each subordinate level or position is separated from its immediate superior by a period. In addition, each position is usually assigned a single digit code. Further, the digit 0 (zero) is used as a "filler" and has no significance for identification. Thus the code 2.1.2.2.2 is made up as follows:

2.0.0.0.0. Nature of transaction expenditure
2.1.0.0.0. Function, General government services
2.1.2.0.0. Program, General administrative
2.1.2.2.0. Sub-program, Financial management
2.1.2.2.2. Activity, Accounting

The period used to separate each level of identification in a particular code block indicate that, while each position is normally represented by a single code digit, provision should be made, in EDP systems, to accomodate more than one digit at each position. At present two-digit positions are used only in those sections of the Object Classification System and the system employed in classifying private and public investment respectively. However, there are a number of other cases, particularly in classifications involving inter-governmental transactions, where more than nine categories may be involved at one level and a two-digit code may be necessary. Further, the development of the system in the future may require two-digit capacity at a number of positions.

In some sub-systems subordinate codes are used to indicate relationships. This is best exemplified in the Revenue Classification System where revenue resulting from the provision of bulk services to other local governments is identified at the second Level (third, fourth and fifth positions) by the type of service (function or functional program) provided, e.g.

Code 1.3.2.4.3. would denote the folowing:

1. Revenue
  3. Sales of services to other governments
    2. Municipality of "C" (where this municipality is identified by code 2)
      4. Environmental Health Services (function - see P.26)
        3. Garbage and waste collection and disposal (functional program - see. p.26)

Translating the above, the code denotes revenue from another government - in this case, the Municipality of "C" - for providing garbage and waste collection and disposal for that municipality.

(Note that the identifying digit denoting expenditure (2) is dropped from the full code for the functional program, i.e 2.4.3.0.0. as are the last two digits (0.0) denoting sub-program and activity.)"

In the chart of accounts, the account titles and codes have been listed on the left hand side of the page and, where necessary for clarification, notes have been inserted opposite the relevant account titles on the right hand side of the page.

CHART OF ACCOUNTS

GENERAL OPERATING FUND
SUMMARY OF ACCOUNT CLASSIFICATIONS

REVENUE

11000 TAXES
13000 SERVICES PROVIDED TO OTHER GOVERNMENTS
14000 SALES OF SERVICES
15000 OTHER REVENUE FROM OWN SOURCES
16000 UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS
17000 CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOVERNMENTS OR AGENCIES
18000 CONDITIONAL TRANSFERS FROM OTHER LOCAL GOVERNMENTS
19000 OTHER TRANSFERS

EXPENDITURES

21000 GENERAL GOVERNMENTS SERVICES
22000 PROTECTIVE SERVICES
23000 TRANSPORTATION SERVICES
24000 ENVIRONMENTAL HEALTH SERVICES
25000 PUBLIC HEALTH AND WELFARE SERVICES
26000 ENVIRONMENTAL DEVELOPMENT SERVICES
27000 RECREATION AND CULTURAL SERVICES
28000 FISCAL SERVICES
29000 OTHER SERVICES

GENERAL OPERATING FUND
SUMMARY OF ACCOUNT CLASSIFICATIONS

ASSETS

31000 CASH ON HAND AND ON DEPOSIT
32000 RECEIVABLES
33000 INVESTMENTS
34000 LOANS AND ADVANCES
35000 TANGIBLE ASSETS
37000 OTHER ASSETS

LIABILITIES

41000 SHORT TERM BORROWING
42000 PAYABLES
44000 OTHER LIABILITIES
49000 SURPLUS (DEFICIT)

CAPITAL FUND
SUMMARY OF ACCOUNT CLASSIFICATIONS

ASSETS

31000 CASH ON HAND AND ON DEPOSIT
32000 RECEIVABLES
33000 INVESTMENTS
34000 LOANS AND ADVANCES
35000 TANGIBLE ASSETS
37000 OTHER ASSETS
38000 INTANGIBLE ASSETS

LIABILITIES

41000 SHORT TERM BORROWINGS
42000 PAYABLES
43000 LONG TERM DEBT
44000 OTHER LIABILITIES
47000 EQUITY IN FIXED ASSETS

CHART OF ACCOUNTS

GENERAL OPERATING FUND

NON-TAX REVENUE

1.1.0.0.0.	LOCAL IMPROVEMENT LEVY
1.1.2.0.0.	Special Assessment
1.1.2.1.0.	Real Property (Local Improvement Levy)
1.1.2.2.0.	Other (Specify)
1.1.1.0.0.	Real & Business Assessment (Warrant)

CHART OF ACCOUNTS

GENERAL OPERATING FUND

NON-TAX REVENUE

1.3.0.0.0.	SERVICES PROVIDED TO OTHER GOVERNMENTS
1.3.1.0.0	Other Municipalities
1.3.1.2.0.	Protective Services
1.3.1.2.1.	Police
1.3.1.2.4.	Fire
1.3.1.2.5.	Emergency Measures (Ambulance)
1.3.1.2.9.	Other
1.3.1.3.0.	Transportation Services
1.3.1.4.0.	Environmental Health Services (Dump)
1.3.1.7.0.	Recreation & Cultural
1.3.1.8.0.	Other (Specify)
1.3.2.0.0.	Province of New Brunswick
1.3.2.2.0.	Protective Services
1.3.2.2.3.	Correction (Jails, Lockups, etc)
1.3.2.2.4.	Fire (To Local Service District(s))
1.3.2.2.5.	Emergency Measures (Amb. to LSD's)
1.3.2.2.9.	Other (Specify)
1.3.2.3.0.	Transportation Services
1.3.2.3.3.	Roads & Streets
1.3.2.3.5.	Street Lighting
1.3.2.3.6.	Traffic Services
	Signs
	Lane Marking
	Signals
	Other
1.3.2.3.9.	Other (Specify)
1.3.2.4.0.	Environmental Health Services
1.3.2.4.3.	Garbage & Waste Disposal (to LSD)
1.3.2.4.9.	Other (Specify)
1.3.2.8.0.	Other (Specify)

CHART OF ACCOUNTS

GENERAL OPERATING FUND

NON-TAX REVENUE

1.4.0.0.0.	SALE OF SERVICES
1.4.2.0.0.	Protective Services
1.4.2.1.0.	Police Services
1.4.2.1.3.	Escort & Private Fees
1.4.2.1.9.	Sale of Unclaimed Goods
1.4.2.4.0.	Fire Services
1.4.2.4.3.	Fire Alarm System
1.4.2.4.9.	Other
1.4.3.2.0.	Road Transport
1.4.3.2.5.	Street Lighting
1.4.3.2.7.	Parking Meters, Lot, Garbage
1.4.3.2.9.	Other
1.4.3.5.0.	Public Transit
1.4.4.0.0.	Environmental Health
1.4.4.3.0.	Garbage & Waste
1.4.4.3.2.	Garbage Collection
1.4.4.3.9.	Recycling Products
1.4.6.0.0.	Environmental Development Services
1.4.7.0.0.	Recreational & Cultural
1.4.7.1.2.	Community Centre (Hall)
1.4.7.1.3.	Swimming Pool, Beaches, Marinas
1.4.7.1.4.	Golf Course
1.4.7.1.5.	Skating Rink & Arena
1.4.7.1.6.	Amusement Park
1.4.7.1.8.	Parks & Playgrounds
1.4.7.1.9.	Other (Specify)
1.4.7.2.0.	Cultural Buildings & Facilities
1.4.7.5.0.	Other
1.4.0.0.9.	Other (Specify)

CHART OF ACCOUNTS

GENERAL OPERATING FUND

NON-TAX REVENUE

1.5.0.0.0.	OTHER REVENUE FROM OWN SOURCES
1.5.1.0.0.	Licenses and Permits
1.5.1.1.0.	Professional
1.5.1.2.0.	Business
1.5.1.3.0.	Amusement
1.5.1.4.0.	Taxi
1.5.1.5.0.	Delivery Vehicle
1.5.1.6.0.	Animal
1.5.1.7.0.	Building
1.5.1.7.1.	Plumbing
1.5.1.7.2.	Breaking Pavement
1.5.1.7.3.	Construction (Building, etc)
1.5.1.7.4.	Other
1.5.1.8.0.	Other (Construction & Demolition)
1.5.1.9.0.	Other (Bicycle, etc)
1.5.2.0.0.	Fines
1.5.2.1.0.	Traffic Violation
1.5.2.1.1.	Parking Meter Fines
1.5.2.1.2.	Motor Vehicle Act
1.5.2.1.3.	Municipal By-Law
1.5.2.1.9.	Other
1.5.3.0.0.	Rentals
1.5.3.1.0.	Engineering Structures
1.5.3.2.0.	Buildings
1.5.3.2.1.	Market
1.5.3.2.9.	Other
1.5.3.4.0.	Machinery & Equipment
1.5.3.5.0.	Land
1.5.3.5.1.	Trailer Park Rental
1.5.3.5.9.	Other Land

CHART OF ACCOUNTS

GENERAL OPERATING FUND

NON-TAX REVENUE

1.5.3.9.0.	Other
1.5.4.0.0.	Franchises (Specify)
1.5.5.0.0.	Return on Investments
1.5.5.1.0.	Interest on Investments
1.5.5.2.0.	Interest on Loans & Advances
1.5.5.3.0.	Profit on Sale of Investment
1.5.5.4.0.	Premium & Exchange
1.5.5.9.0.	Other
1.5.9.0.0.	Miscellaneous
1.5.9.1.0.	Commissions (N.B. Tel, etc.)
1.5.9.2.0.	Contributions(gifts, donations, etc.)
1.5.9.9.0.	Other (Specify)

CHART OF ACCOUNTS

GENERAL OPERATING FUND

NON-TAX REVENUE

1.6.0.0.0.	UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS
1.6.1.0.0.	Federal
1.6.2.0.0.	Provincial Government
1.6.3.0.0.	Municipal Government

CHART OF ACCOUNTS

GENERAL OPERATING FUND

NON-TAX REVENUE

1.7.0.0.0.	CONDITIONAL TRANSFERS
1.7.1.0.0.	Federal Government (Specify)
1.7.2.0.0.	Federal Government Agencies
1.7.5.0.0.	Provincial Government
1.7.5.2.0.	Protective Services
1.7.5.2.1.	Police
1.7.5.2.4.	Fire
1.7.5.2.5.	Emergency Measures
	Flood Control
	Disaster Control
	First Aid & Ambulance
1.7.5.2.9.	Other
1.7.5.3.0.	Transportation Services
1.7.5.3.2.	Highways
1.7.5.3.9.	Other
1.7.5.6.0.	Environmental Development
1.7.5.6.1.	Tourism
1.7.5.6.9.	Other (Specify)
1.7.5.0.9.	Other
1.7.6.0.0.	Provincial Government Agencies

CHART OF ACCOUNTS

GENERAL OPERATING FUND

NON-TAX REVENUE

1.8.0.0.0. CONDITIONAL TRANSFERS FROM MUNICIPAL GOVERNMENT

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CHART OF ACCOUNTS

GENERAL OPERATING FUND

NON-TAX REVENUE

1.9.0.0.0.	OTHER TRANSFERS
1.9.1.0.0.	Transfers from own Reserves and Allowances
1.9.1.1.0.	Surplus of 2nd Previous Year
1.9.1.2.0.	Machinery & Equipment Decreciation Fund
1.9.1.4.0.	Other (Specify)
1.9.2.0.0.	Transfers from Other Funds
1.9.2.1.0.	Sinking Fund
1.9.2.2.0.	Utility Fund
1.9.2.9.0.	Other (Specify)
1.9.3.0.0.	Own Agencies, Authorities, etc.(Specify)
1.9.9.0.0.	Other (Specify)

EXPENDITURES

PRINCIPLES OF EXPENDITURE ALLOCATION

All expenditures made to provide the services by a particular function should be allocated to that function. These will normally include such expenditures as salaries, wages, fees, honorariums, allowances, gratuities, employer's contribution to employee pension funds, employer contributions to employee pension funds, employer contributions in respect of employee medical and hospital insurance, meals and clothing supplied to employees, general office expenditures, rents, utility services and all incidential expenditures as applicable. All expenditures should be shown in gross amounts.

THE BASIC FUNCTIONS

Eight basic functions are specifically identified:

- General Government
- Protective services
- Transportation services
- Environmental health services
- Public health and welfare services
- Environmental development services
- Recreation and Cultural services
- Fiscal services

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURE

2.1.0.0.0.	GENERAL GOVERNMENT SERVICES
2.1.1.0.0.	Legislative
2.1.1.1.0.	Mayor
	Personnel (a)
	Other (b)
2.1.1.3.0.	Councillors
	Personnel
	Other
2.1.1.4.0.	Development Seminars
2.1.1.9.0.	Other legislative cost
2.1.2.0.0.	General Administrative
2.1.2.1.0.	Administrative
2.1.2.1.1.	Manager, Administrator
	Personnel
	Other
2.1.2.1.2.	Clerk
	Personnel
	Other
2.1.2.1.3.	Personnel Officer
	Personnel
	Other
2.1.2.1.4.	Building
2.1.2.1.5.	Solicitor
2.1.2.1.9.	Other Administrative Services
2.1.2.2.0.	Financial Management
2.1.2.2.1.	Administration
	Personnel
	Other
2.1.2.2.2.	Accounting
	Personnel
	Other

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURE

2.1.2.2.4.	Budget Control
2.1.2.2.5.	External Audit
	Audit Fees
	Accounting Fees
2.1.2.2.6.	Purchasing
	Personnel
	Other
2.1.2.2.9.	Other Fiscal Management
2.1.2.5.0.	Common Services
2.1.2.5.2.	Civic Relations
2.1.2.6.0.	Training and Development
2.1.2.5.9.	Other
2.1.2.9.0.	Other General Administrative Services
2.1.9.0.0.	Other General Government Services
2.1.9.2.0.	Conventions and Delegations
2.1.9.3.0.	Public Liability Insurance Premium
2.1.9.5.0.	Grants to Organizations
2.1.9.5.1.	Health
2.1.9.5.2.	Welfare
2.1.9.5.3.	Education
2.1.9.5.9.	Other
2.1.9.9.0.	Other General Government Services

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURES

2.2.0.0.0.	PROTECTIVE SERVICES
2.2.1.0.0.	Police Protection
2.2.1.2.0.	Administration
	Personnel
	Other
2.2.1.3.0.	Crime Control
	Personnel
	Other
2.2.1.4.0.	Traffic Activities
	Personnel
	Other
2.2.1.5.0.	Training and Development
	Personnel
	Other
2.2.1.6.0.	Station and Building
2.2.1.7.0.	Automotive Equipment
2.2.1.8.0.	Detention & Custody of Prisoners
2.2.1.9.0.	Contractual Agreement
2.2.1.9.1.	R.C.M.P.
2.2.1.9.2.	With Another Municipality
2.2.1.9.3.	Province of New Brunswick
2.2.1.9.9.	Other
2.2.4.0.0.	Fire Protection
2.2.4.1.0.	Administration
	Personnel
	Other
2.2.4.2.0.	Fire Fighting Force
	Personnel
	Other
2.2.4.3.0.	Fire Alarm Systems
2.2.4.4.0.	Fire Investigation and Preventions

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURE

2.2.4.5.0.	Water Cost (Regulation 81-195)
2.2.4.6.0.	Training and Development
	Personnel
	Other
2.2.4.7.0.	Station and Building
2.2.4.8.0.	Fire Fighting Equipment
2.2.4.9.0.	Other
2.2.5.0.0.	Emergency Measures
2.2.5.2.0.	Flood Control
2.2.5.3.0.	Disaster Control
2.2.5.4.0.	First Aid & Ambulance (Specify)
2.2.5.5.0.	Training & Development
2.2.9.0.0.	Other Protection
2.2.9.2.0.	Protective Inspection
2.2.9.2.1.	Building Inspection
	Personnel
	Other
2.2.9.2.3.	Plumbing Inspection
	Personnel
	Other
2.2.9.2.9.	Other
2.2.9.3.0.	Animal and Pest Control
	Personnel
	Other
2.2.9.5.0.	Training and Development
2.2.9.9.0.	Other

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURES

2.3.0.0.0.	TRANSPORTATION SERVICES
2.3.1.0.0.	Common Services
2.3.1.1.0.	Administration
	Personnel
	Other
2.3.1.1.2.	Training & Development
2.3.1.2.0.	Engineering Services
	Personnel
	Other
2.3.1.3.0.	General Equipment
2.3.1.5.0.	Workshops, Yards & Other Buildings
	Personnel
	Other
2.3.1.6.0.	Research, Planning & Design
	Personnel
	Other
2.3.1.9.0.	Other
2.3.2.0.0.	Road Transport
2.3.2.1.0.	Administration
	Personnel
	Other
2.3.2.2.0.	Engineering, Planning, Supervision
	Personnel
	Other
2.3.2.3.0.	Roads and Streets
2.3.2.3.1.	Summer Maintenance
	Specify D.O.T., self or private contractor
	Personnel
	Other
2.3.2.3.3.	Sidewalks
2.3.2.3.4.	Culverts and Drainage Ditches

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURE

2.3.2.3.5.	Storm Sewers
2.3.2.3.6.	Street Cleaning & Flushing
2.3.2.3.7.	Snow and Ice Removal
	Personnel
	Other
2.3.2.3.9.	Other
2.3.2.4.0.	Bridges, Viaduct, Causeway & Grade Separations
	Personnel
	Other
2.3.2.5.0.	Street Lights
2.3.2.6.0.	Traffic Services
2.3.2.6.1.	Street Signs
2.3.2.6.2.	Traffic Lanemarking
2.3.2.6.3.	House Numbering
2.3.2.6.4.	Traffic Signals
2.3.2.6.5.	Railway Crossing Signals
2.3.2.6.6.	Crosswalks
2.3.2.6.9.	Other
2.3.2.7.0.	Parking
2.3.2.7.1.	Parking Meters
2.3.2.7.2.	Off Street Parking
2.3.2.7.9.	Other
2.3.3.0.0.	Air Transport
2.3.5.0.0.	Public Transit
2.3.9.0.0.	Other Transportation

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURES

2.4.0.0.0.	ENVIRONMENTAL HEALTH SERVICES
2.4.3.0.0.	Garbage and Waste Collection & Disposal
2.4.3.1.0.	Administration
	Personnel
	Other
2.4.3.2.0.	Garbage & Waste Collection
	Personnel
	Other
2.4.3.3.0.	Dumps
	Personnel
	Other
2.4.3.4.0.	Incinerators
	Personnel
	Other
2.4.3.5.0.	Training and Development
2.4.3.9.0.	Other Garbage Disposal (Recycling)
2.4.9.0.0.	Other Environmental Health Services

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURES

2.5.0.0.0.	PUBLIC HEALTH AND WELFARE SERVICES
2.5.1.0.0.	Public Health
2.5.1.6.0.	Cemeteries
2.5.1.8.1.	Medical Clinics
2.5.1.9.0.	Other (Specify)

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURES

2.6.0.0.0.	ENVIRONMENTAL DEVELOPMENT SERVICES
2.6.1.0.0.	Environmental Planning and Zoning
2.6.1.1.0.	Planning (Dist. Comm. or Advisory Committee)
2.6.1.2.0.	Administration
	Personnel
	Other
2.6.1.3.0.	Research and Planning (studies, etc.)
2.6.1.9.0.	Other (Specify)
2.6.2.0.0.	Community Development
2.6.2.2.0.	General Land Assembly
2.6.2.3.0.	Urban Land Assembly
2.6.2.4.0.	Beautification & Land Rehabilitation
2.6.2.9.0.	Other Community Development
2.6.3.0.0.	Housing
2.6.4.0.0.	Natural Resources Development
2.6.4.5.0.	Tree Removal and Planting
2.6.6.0.0.	Industrial Parks & Commissions
2.6.9.0.0.	Other Environmental Development Services
2.6.9.1.0.	Tourism
2.6.9.1.1.	Tourist Bureau
2.6.9.1.2.	Tourist Camps, Parks, etc.
2.6.9.1.3.	Promotion of Tourist Attractions
2.6.9.1.4.	Energy Conservation
	Personnel
	Other
2.6.9.1.9.	Other Tourism
2.6.9.2.0.	Public Receptions
2.6.9.3.0.	Markets
2.6.9.4.0.	Training and Development
2.6.9.9.0.	Other (Decorative Lighting, etc.)

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURES

2.7.0.0.0.	RECREATION AND CULTURAL SERVICES
2.7.1.0.0.	Recreation
2.7.1.1.0.	Administration
	Personnel
	Other
2.7.1.2.0.	Community Centres and Halls
	Personnel
	Other
2.7.1.3.0.	Swimming Pools, Beaches, Marinas
	Personnel
	Other
2.7.1.4.0.	Golf Course
	Personnel
	Other
2.7.1.5.0.	Skating Rinks and Arenas
	Personnel
	Other
2.7.1.6.0.	Amusement Parks, Exhibitions and Fairs
	Personnel
	Other
2.7.1.7.0.	Training and Development
2.7.1.8.0.	Parks and Playgrounds
	Personnel
	Other
2.7.1.9.0.	Other Recreation Facilities
	Personnel
	Other
2.7.2.0.0.	Cultural Buildings and Facilities
	Personnel
	Other

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURE

2.7.2.1.0.	Administration
	Personnel
	Other
2.7.2.3.0.	Historic Sites
	Personnel
	Other
2.7.2.4.0.	Museums
	Personnel
	Other
2.7.2.5.0.	Libraries
	Personnel
	Other
2.7.2.6.0.	Place of Assembly
	Personnel
	Other
2.7.2.7.0.	Training and Development
2.7.2.9.0.	Other
2.7.5.0.0.	Other Recreation and Cultural Services
2.7.5.3.0.	Bands
2.7.5.9.0.	Other
2.7.7.0.0.	Retarded Children School
2.7.7.7.1.	School
2.7.7.7.2.	Transportation
2.7.7.7.9.	Other

CHART OF ACCOUNTS

GENERAL OPERATING FUND

EXPENDITURES

2.8.0.0.0.	FISCAL SERVICES
2.8.1.0.0.	Debt Charges
2.8.1.1.0.	Interest on Short-term borrowing
2.8.1.1.6.	Interest for Current Operations
2.8.1.1.7.	Loans re: Outstanding Authority
2.8.1.1.8.	Loans re: Proposed Projects
2.8.1.2.0.	Interest on Long-term Debt
2.8.1.3.0.	Principal Installments or Sinking Fund Requirements
2.8.1.9.0.	Other Debt Charges
2.8.1.9.1.	Debenture Discounts
2.8.1.9.2.	Cost of Issuing and Selling New Debentures
2.8.1.9.3.	Bank Servicing Charges
2.8.1.9.4.	Loss on Securities Investments
2.8.1.9.5.	Loss on Foreign Exchange
2.8.1.9.9.	Other
2.8.2.0.0.	Transfers to Own Reserves, Funds and Agencies
2.8.2.1.0.	Reserves and Allowances
2.8.2.1.1.	Specify
2.8.2.1.2.	Specify
2.8.2.2.0.	Other Funds
2.8.2.2.1.	Specify
2.8.2.2.2.	Specify
2.8.2.3.0.	Own Agencies
2.8.2.4.0.	Deficit of 2nd Previous Year
2.8.2.5.0.	General Capital Fund
2.8.3.0.0.	Unconditional Transfers to Other Governments and Agencies
2.8.3.1.0.	Specify
2.8.3.2.0.	Specify
2.8.4.0.0.	Conditional Transfers to Other Governments and Agencies
2.8.4.1.0.	Specify
2.8.9.0.0.	Other Fiscal Services

CHART OF ACCOUNTS

WATER AND/OR SEWERAGE UTILITY FUND

REVENUE

1.4.0.0.0 SALE OF SERVICES

1.4.4.1.0 Sale of Water

- Residential (a)
- Commerical
- Industrial (b)
- Own Municipality
- Other Municipality
- Other (Spec)

1.4.4.2.0 Sewerage Rates

- Residential
- Commerical
- Industrial
- Institutional
- Other (Spec)

1.4.4.5.0 Connection & Service Charge

1.4.4. .0 Other (Spec.)

a) Include special rates for summer cottage

b) Include water sold for construction

CHART OF ACCOUNTS

WATER AND/OR SEWERAGE UTILITY FUND

REVENUE

1.5.0.0.0	OTHER REVENUE FROM OWN SOURCES
1.5.3.0.0	Rental
1.5.3.1.0	Engineering Structures
1.5.3.4.0	Machinery and Equipment
1.5.3.9.0	Other
1.5.5.0.0	Return on Investments
1.5.5.1.0	Interest on Investments
1.5.5.2.0	Interest on Loans & Advances
1.5.5.4.0	Premiums and Exchange
1.5.5.9.0	Other
1.5.6.0.0	Surcharge & Interest
1.5.6.1.0	Surcharge
1.5.6.2.0	Interest
1.5.7.0.0	Own Funds
1.5.7.2.0	*Water Supply for Fire Protection
1.5.7.9.0	Other
1.5.9.0.0	Miscellaneous
1.5.9.3.0	Frontage Fees
1.5.9.9.0	Other

*Regulation 81-195

CHART OF ACCOUNTS

WATER AND/OR SEWERAGE UTILITY FUND

REVENUE

1.6.0.0.0	Unconditional Transfer from
1.6.1.0.0	Federal Government
1.6.2.0.0	Provincial Government
1.6.3.0.0	Other Government (Spec.)
1.7.0.0.0	Conditional Transfers From
1.7.1.0.0	Federal Government
1.7.5.0.0	Provincial Government
1.7.9.0.0	Other Governments (Spec.)
1.9.0.0.0	Other Transfers
1.9.1.0.0	From Own Funds
1.9.1.1.0	Surplus from previous year
1.9.1.3.0	Reserves for uncollectable taxes

CHART OF ACCOUNTS

WATER AND/OR SEWERAGE UTILITY FUND

EXPENDITURE

		Water Costs for fire Protection
2.4.0.0.0	ENVIRONMENTAL HEALTH SERVICE	
2.4.1.0.0	Water Supply	
2.4.1.1.0	Administration and general	NIL
2.4.1.2.0	Purification and treatment	NIL
2.4.1.3.0	Source of supply	
2.4.1.4.0	Transmission and distribution	
2.4.1.5.0	Power and pumping	
2.4.1.6.0	Billing and collection	NIL
2.4.1.7.0	Water purchased	
2.4.1.9.0	Other	
2.4.2.0.0	Sewage Collection and Disposal	
2.4.2.1.0	Administration	NIL
2.4.2.2.0	Sewage collection system	NIL
2.4.2.3.0	Sewage lift station(s)	NIL
2.4.2.4.0	Sewage treatment and disposal	NIL
2.4.2.6.0	Storm Sewers	NIL
2.4.2.9.0	Other	NIL

CHART OF ACCOUNTS

WATER AND/ OR SEWAGE UTILITY FUND

EXPENDITURE

		Water Costs for Fire Protection
2.8.0.0.0	FISCAL SERVICES	
2.8.1.0.0	Water System Debt Charges	
2.8.1.1.0	Interest on Temporary Borrowwing	
2.8.1.2.0	Interest on Long Term Debt	
2.8.1.3.0	Principal Installments	
2.8.1.9.0	Other Water Debt Charges	
2.8.1.0.0	Sewerage & Storm Sewer System Debt Charge	
2.8.1.1.0	Interest on Temporary Borrowing	NIL
2.8.1.2.0	Interest on Long Term Debt	NIL
2.8.1.3.0	Principal Installments	NIL
2.8.1.9.0	Other Sewerage Debt Charges	NIL
2.8.2.0.0	Transfers to own Funds and Reserves	
2.8.2.1.0	Reserve Fund	
	Water	
	Storm and Sewer System	NIL
2.8.2.2.0	Capital Fund (Page 26 Item 192)	
	Water	
	Storm and Sewer System	NIL
2.8.2.5.0	Deficit	
	Water	
	Storm and Sewer System	NIL
2.8.9.0.0	Other Fiscal Services	
2.8.9.1.0	Discounts	NIL
2.8.9.2.0	Provision for Loss on Accounts Receivable	NIL